

COMMERCE

OCTOBER 1957 35c

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Executive House

Hotel for Chicago — See page 5

Inflation: Is It Here To Stay?

Chicago Faces The Challenge
Of Neighborhood Decay

Labor's Latest Welfare Plan



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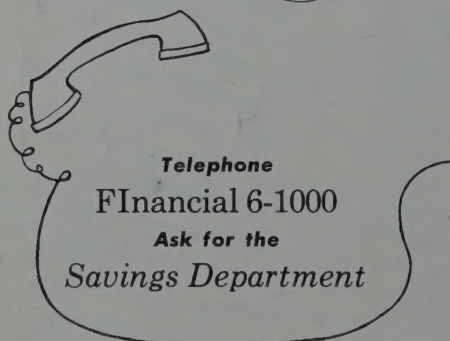
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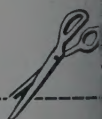


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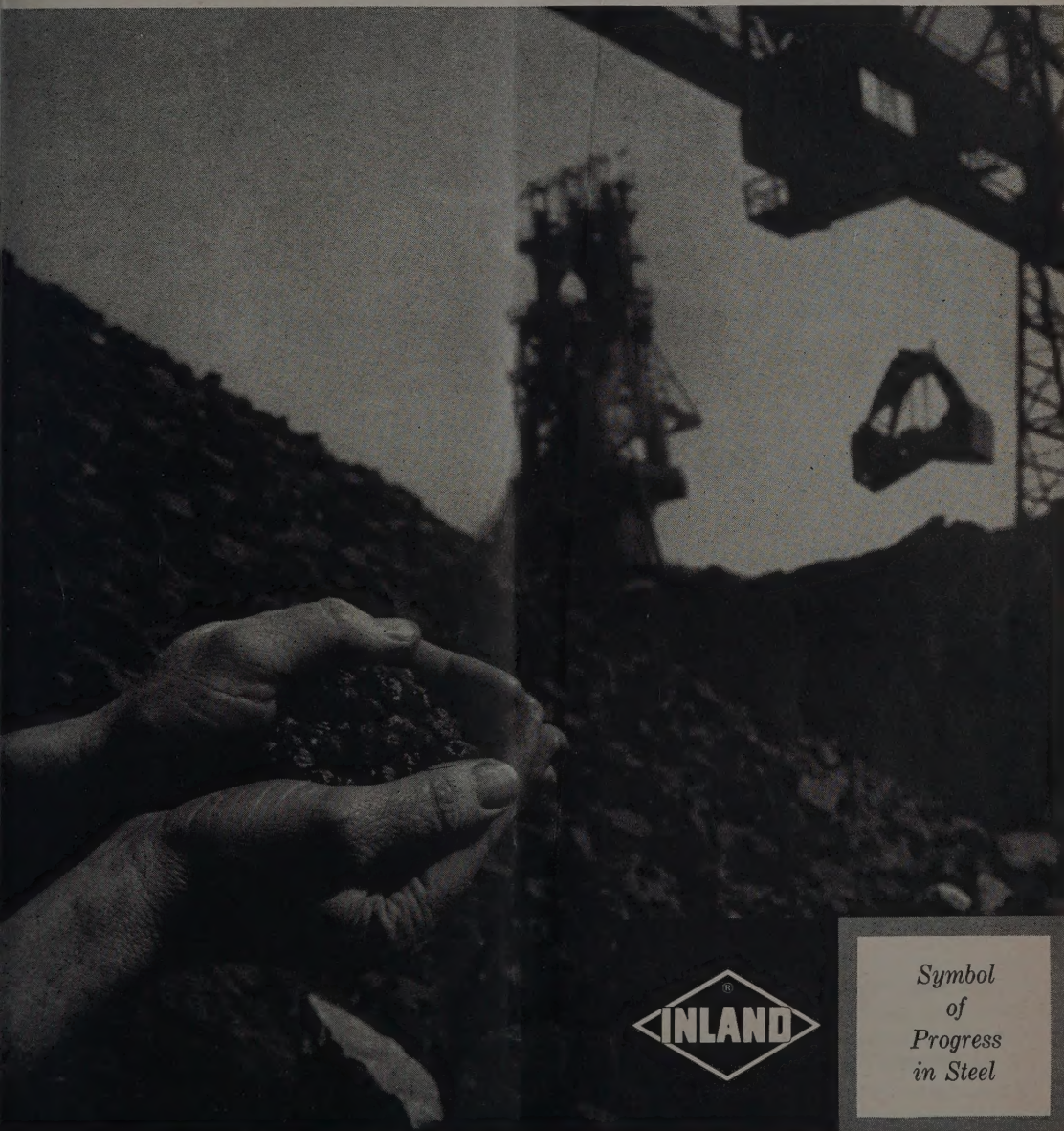
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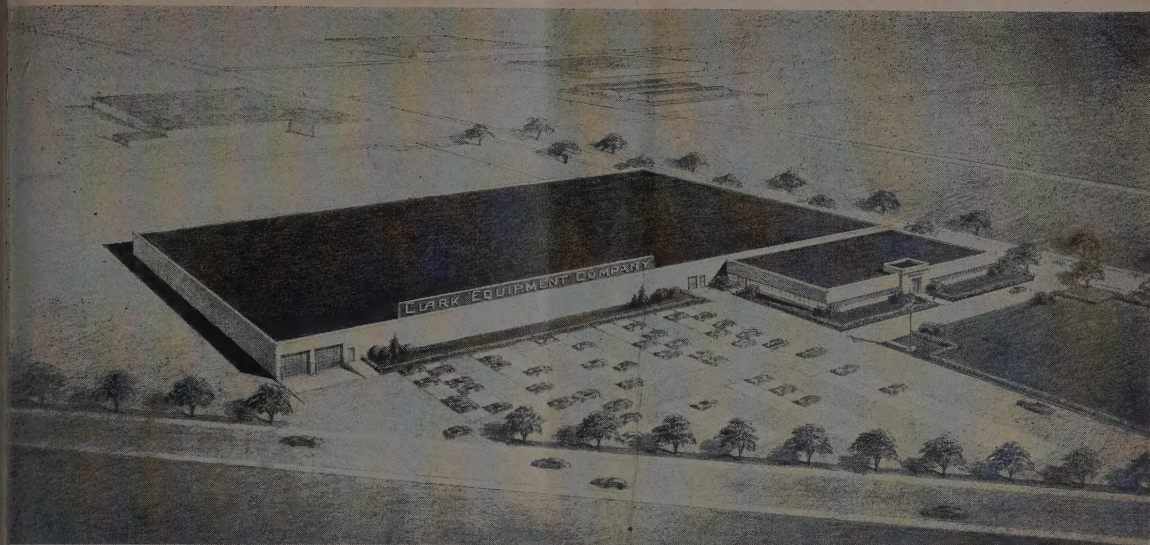
Chicago Business

	August, 1957	July, 1957	August, 1956
Contracts awarded on building projects, Cook Co. cost _____ (F. W. Dodge Corp.)	\$ 62,457,000	\$ 59,360,000	\$ 87,515,000
Real estate transfers, Cook Co. _____ Consideration _____	7,198 \$ 5,792,956	7,539 \$ 7,679,809	9,400 \$ 6,046,000
Bank clearings, Chicago _____	\$ 4,819,249,004	\$ 5,163,975,500	\$ 4,410,480,000
Bank debits to individual accounts: 7th Federal Reserve District _____ Chicago only _____ (Federal Reserve Board)	\$29,055,000,000 \$14,179,320,000	\$29,315,000,000 \$15,008,014,000	\$26,945,000,000 \$13,248,445,000
Bank loans (outstanding) Chicago weekly reporting banks _____	\$ 4,239,000,000	\$ 4,233,000,000	\$ 3,834,000,000
Midwest Stock Exchange transactions: Number of shares traded _____ Market value of shares traded _____	2,047,718 \$ 72,706,940	2,351,967 \$ 86,871,599	2,214,000 \$ 80,452,000
Railway express shipments, Chicago area _____	751,859		918,000
Air express shipments, Chicago area _____	80,311		95,000
L.C.L. merchandise cars, Chicago area _____	14,157	14,180	18,000
Electric power production, kwh, Comm. Ed. Co. _____	1,758,149,000	1,689,673,000	1,655,537,000
Industrial gas sales, therms, Chicago _____	12,663,332	13,053,234	12,913,000
Steel production (net tons), metropolitan area _____	1,736,000	1,716,300	1,421,000
Revenue passengers carried by Chicago Transit Authority lines: Surface division _____ Rapid transit division _____	36,715,080 8,988,211	36,585,510 8,830,083	40,779,000 9,682,000
Postal receipts, Chicago* _____	\$ 10,893,818	\$ 12,260,742	
Air passengers, Chicago airports: Arrivals _____ Departures _____	497,730 510,518	459,359 483,014	399,000 321,000
Consumers' Price Index (1947-49=100), Chicago _____	124.1	124.1	124.1
Unemployment compensation claimants, Cook & DuPage counties _____	33,894	38,366	30,000
Families on relief rolls: Cook County _____ Other Illinois counties _____	21,484 12,224	21,613 12,298	21,000 12,000

*Postal Department now reports in four-week rather than monthly periods. Comparable figure for 1956 is not available.

November, 1957, Tax Calendar

Date Due	Tax	Returnable to
1	Renew city business licenses which expired October 31, 1957	City Collector
15	Illinois Retailers' Occupation Tax and MROT return and payment for month of October	Dept. of Rev. (Ill.)
15	If total Income and Social Security taxes (O.A.B.) withheld from employee plus employer's contribution in October exceed \$100, pay amount to	Authorized Depositor



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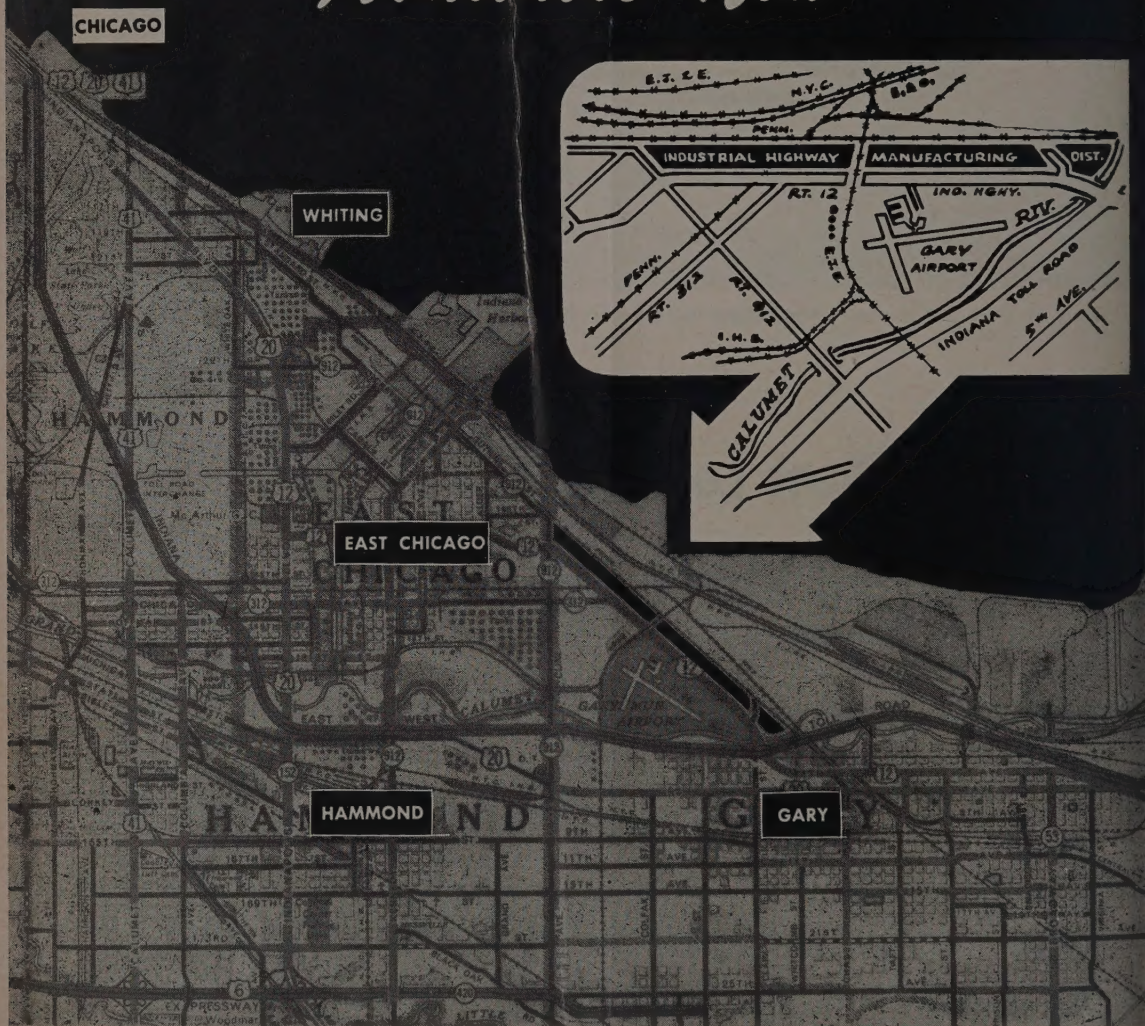
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COMMERCE

Magazine

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October, 1957

Volume 54

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Contents

Inflation: Is It Here To Stay?.....	By Ezra Solomon	13
Labor's Latest Welfare Plan: Legal Care	By Mitchell Gordon	15
Chicago Faces the Challenge of Neighborhood Decay.....	By June Blythe	16
Poland 1957: A Chicagoan Tells What It's Like.....	By Frank F. Kolbe	18
Business Highlights In Pictures.....		20
Vending Machines Simplify Employee Feeding Problems.....	By Phil Hirsch	22

Regular Features

Statistics of Chicago Business.....	2
The Editor's Page.....	7
Here, There and Everywhere.....	8
Trends in Finance and Business.....	10
Industrial Developments in the Chicago Area.....	33
Transportation and Traffic.....	37
Chicago Ship Sailings.....	42
Stop Me — If.....	48



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**Our
Cover**

Chicago is going to have a new hotel, the first to be constructed in the city in more than 25 years. It will occupy the 40-story building under construction at 63-73 East Wacker Drive. Scheduled to open in November, 1958, the hotel will be called "Executive House." It will be managed in conjunction with the Condado hotel chain, which includes hostels in San Juan and Barranquitas, Puerto Rico; Havana, Cuba; and other locations in the Caribbean, according to Morris R. DeWoskin, president of the chain.

The small picture on our cover shows Mr. DeWoskin (right) signing a forty year lease for the building with George S. Lurie, realtor. Originally planned as a near-the-loop apartment house, the building will, under the present plan, be a complete hotel operation, with leases for both furnished and unfurnished apartments accounting for about 30 per cent of occupancy. The remainder will be devoted to transient guests.

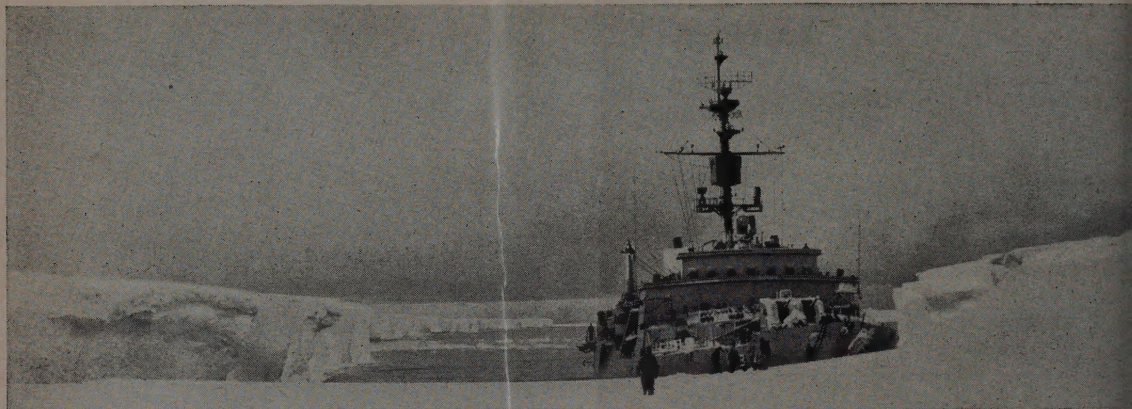
Rates for single units will range from \$10 to \$15 a day; double occupancy will run about \$4 higher. Apartment rents will start at \$250 a month (unfurnished).

"Executive House will give Chicago a type of hotel it has never had before. There is an increasing trend among executives to travel with their families and the usual hotel accommodation does not afford the 'comforts of home' required by wives and children. All suites in Executive House will have a semi-residential quality," Mr. DeWoskin said.

There will be no commercial tenants or offices in Executive House. A 200-car, bi-level, drive-in garage; a deluxe restaurant and bar; and a private club under consideration for the top two floors are the only non-residential facilities planned for the hotel. Also projected is a heliport atop the hotel.

The fully air-conditioned hotel will have 448 units, each with a 12.5 by 20 foot studio-living room, kitchenette, private bath and shower, and balcony. Many units also will include a bedroom. All suites will have radio and television. The balconies will measure 6 by 20 feet.

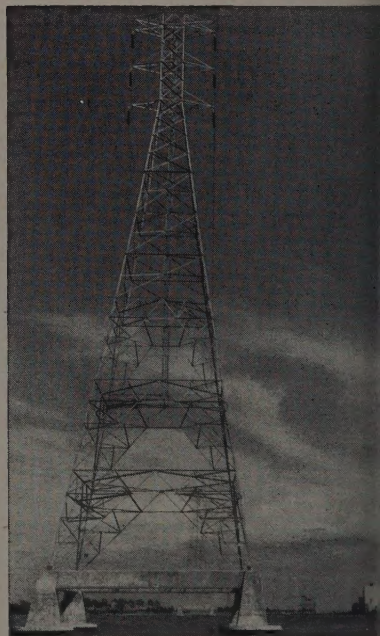
Only STEEL can do so many jobs so well



Operation Deep Freeze. Last year, to prepare Antarctic base sites for the present International Geophysical Year, U. S. Navy Task Force 43 made an almost complete circle around Antarctica. Lead vessel was the USS Glacier, powerful pride of the Navy's icebreaker fleet. In this startling picture, the Glacier pokes her tough steel nose into the desolate Atka Bay ice barrier so that scientists and Navy men can reconnoiter and plant the American flag.



The Finest Printing is Done on Clay. High-gloss papers (called enamel-coated) are covered with a thin coating of smooth, hard, lustrous clay to keep printing inks from being absorbed into the paper fibers. That clay is mixed in tanks like this one. Tanks are stainless steel because nothing else can withstand the grinding action of the clay and at the same time keep it pure and white. In fact, this stainless tank has lasted seven times as long as the previous non-stainless tank.



High Line At Low Cost. These giant electrical transmission towers are 198 feet high—because they must provide 100 feet clearance for ships passing underneath. Old Tampa Bay, Florida. By using a special USS MAN-TEN High Strength Steel, 6 tons were trimmed off the weight of each tower. The total money saving for 10 towers amounted to \$7,200... far more than the slight extra cost of the high strength steel. Another job well done with steel!

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The Editor's Page

Strange But True

A tax law can actually cost the government money. Strange as this statement may seem, the authority for it is none other than Edward R. Jelsma, director of the Interstate Commerce Commission's Bureau of Transport Economics and Statistics.

According to Mr. Jelsma, the federal three per cent excise tax on freight transportation (a World War II emergency measure which is still on the books) cost the government \$24 million in lost revenues from the railroads alone during 1956.

Here's how: Last year, the government collected \$450 million from the freight excise tax. However, the tax is deducted from income by shippers as a business expense so the actual net return to the government was only \$247.5 million.

The excise tax, Mr. Jelsma continues, has been instrumental in leading many shippers to use private transportation. This transportation is officially estimated to have cost them \$4.3 billion last year. Polls show that, with repeal of the excise tax, the railroads would recapture about \$861.6 million of the business. Income taxes on this new rail income would total \$271.4 million — which is approximately \$24 million more than the excise tax netted the U. S. Treasury.

Mr. Jelsma's computation does not take into consideration the additional revenue that would come from other carriers if the excise tax were repealed. The chairman of the Interstate Commerce Commission, Owen Clarke, has said that the total loss to the government caused by the excise tax may be \$90 million.

Here is one tax the government just can't afford!

Long Needed Check

There has been a great deal of talk to the effect that the spending cuts the last Congress made will, in the end, produce very little real saving. This conclusion is based on the time-honored custom of government agencies exceeding their budget and then asking for and obtaining from Congress a deficiency appropriation.

Something new has been added, however, and this trick may not work so well in the future. Under a recent amendment, the law which previously was vague as to responsibility, now places the responsibility for deficiencies squarely on the head of the

offending government agency. And Representative Cannon of the House Appropriations Committee has warned the executive branch that he means to make the amendment stick. Referring to "those disgruntled spenders, booted away from the public trough, who sarcastically assert" that much of the money saved by budget cuts will be restored in the next session by deficiency bills, Representative Cannon said:

"To give a government agency a definite amount for the year and let them spend the money in less than a year and come back and tell us the money is gone, and they will have to have a supplemental appropriation is to permit the departments to appropriate . . .

"Congress . . . has provided the amount of money it deems sufficient for the year. And Congress expects that amount to cover the year's expense of operation. If any government agency, in its superior wisdom, decides that it knows more about that than Congress, it is in for a rude awakening. The country is demanding economy, and it is high time someone in Washington gave heed to that very reasonable demand."

If heeded, Representative Cannon's words, which could hardly be more blunt, can mean several billions in savings for the nation's weary taxpayers.

Worth A Try?

The nickel is not yet obsolete. This encouraging news on the state of inflation is based on a survey conducted by the National Association of Variety Stores.

In the 25 departments that make up the average variety store, the NAVS learned there are 935 articles bearing a five cent price tag or less. They range from shoe laces and thimbles to chewing gum and powder puffs. Some oldtime nickel items have moved up to the 10 cent level but they have been replaced by a number of newcomers in the nickel area, says the NAVS.

The foregoing news should be of dollars and cents value to every parent. Next time the young fry ask for a buck or two, just give them a nickel and send them off to the variety store with the good word that they can buy any one of 935 items their little hearts desire and see what happens.

Alan Sturdy

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Here...There... and Everywhere

• **Annual Heart-in-Industry Conference** — "Living with Your Job" will be the theme of the Gustav Freund II Memorial Heart-in-Industry Conference to be jointly sponsored by the Chicago Heart Association and the Chicago Association of Commerce and Industry. The day-long conference will be held October 11 in the Morrison Hotel. It will focus attention on the emotional factors that produce the stresses of life, how these relate to health, and how problems arising in this area can be handled in industry.

• **Family Income Rises** — Half of all American families had a total income of \$4,783 or more in 1956, an increase of eight per cent from 1955 according to the Bureau of Census. The median for city dwellers moved up from \$4,840 to \$5,221. For rural nonfarmers it jumped from \$4,328 to \$4,619 and for farmers it moved from \$2,111 to \$2,371. Of the country's 43 million families, 3.5 million, or about eight per cent, had incomes of \$10,000 or more in 1956 and 900,000, about two per cent, had incomes of \$15,000 and up.

• **Profile of a President** — The "typical" company president — among a group of 335 recently surveyed by the American Management Association — is an energetic man who works 10 to 15 hours beyond his company's normal work week; spends six or seven weeks a year traveling on business; and has a hard time finding enough hours for his wife and two or three children, golf, reading, and community service. He is about 50 years old, earns an average of \$68,000 a year, owns his own home and two or more cars.

• **Not a Dog's World** — Man's best friend is slightly outnumbered by Tabby, a study of the habit and habitats of pets in the U. S. reveals.

There are 27 million cats and million dogs. The South has a considerably higher average of pet ownership than other sections; its per cent of the country's family harbor 38 per cent of the nation's dogs and 36 per cent of its cats.

• **Automatic Post Office** — The National Bureau of Standards is developing prototypes of machinery for sorting first-class mail. The scheme may be in operation next year. The memory system under development will memorize the distribution scheme of a city and then be able to look up any address in even the largest city in about 1/20th of a second.

• **Panama's Shrimp Boats Catching** — Panama's new shrimp industry, currently exporting at the rate of about \$5 million a year, will be considerably increased by construction of a new fleet of shrimp boats in Panama. At present, Mexico is by far the biggest shrimp exporter with its heavy catches in the Gulf of Mexico, but the Pacific fisheries of Panama and Ecuador are beginning to come up, according to Vision Incorporated.

• **Electronic Stenographer** — The tireless "electronic stenographer" capable of a multimillion-word dictation output has been developed according to the monthly publication Television Shares Management Corporation. The device, manufactured by the Stromberg-Carlson division of General Dynamics Corporation, is capable of turning out as much as every 24 hours as 9,000 stenographers working 3,000 to the shift on a three shift basis. Called a Cactron computer readout, the device will be used in conjunction with a Remington Rand LA computer and is reputedly 50 per cent faster than any comparable device.

(Continued on page 34)



◀ **Aerocycle**, a one-man helicopter now being tested by the U. S. Army, is one of the many aircraft for which Aeroaffiliates machines precision parts.

Some Examples of Aeroaffiliates' Work. All require fine tolerances and excellent finish. All were made with the help of Cities Service Chillo Cutting Oils. ▶



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. . . "but thanks to Cities Service Chillo Cutting Oils, tool life and finish are the best ever," says Aeroaffiliates. "These cutting oils are equalled only by the help we receive from the Cities Service Lubrication Engineer, a man whose knowledge and help we greatly value."

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Trends ... in Finance and Business

• *Jobs for Liberal Art Graduates*

—Business and industry have found a new source of talent. For years now they have been recruiting college students with Bachelors' degrees. Recently, however, they have begun to recruit liberal arts students working for their Masters and Doctor of Philosophy degrees. The result is that liberal arts students with M.A. and Ph.D. degrees who formerly had virtually no choice other than to become teachers now can find lucrative jobs with large corporations.

The surprising thing about this emerging trend is not that some students with advanced degrees are lured into well-paying jobs in private enterprise, but that so many of them persist in entering the teaching profession. This is true even though the salaries offered teachers are considerably lower than those paid by business and industry.

But the new trend is likely to sharpen the competition for teachers, and to force an increase in the salaries paid to them. Starting salaries in industry for these advanced degree students are between \$7,000 and \$9,000 a year. The current average starting salary for teachers of history, English, sociology and other subjects in the liberal arts ranges between \$4,200 and \$4,500.

As a result of this trend, says Mrs. Margaret W. Armstrong, supervisor of teacher placement at Yale University, the competition for people qualified to teach is intensifying. Although the number of people entering the teaching profession actually is increasing, the demand is already so great at the elementary and secondary levels, and will soon be so great at the college level that the estimated increase in the number entering the teaching profession is expected to fall far short of the re-

quirements, she explains. The source of competition intensifies the situation.

• *U. S. Bank Resources*

Combined resources of all U. S. States banks have increased \$8 billion since June, 1956, according to the Rand McNally International Bankers Directory. The directory shows the consolidated capitulation of bank resources in June, 1957, to be \$249.3 billion compared with \$241.5 billion at the end of June, 1956.

The directory also shows that individuals and corporations are continuing to borrow from banks at a faster rate than they increase deposits. Bank loans for the year being reported rose from \$100 billion to \$115 billion, the highest in American banking history, while deposits increased only about \$10 billion, from \$218 billion to \$228 billion.

The trend toward increased mergers, consolidations, and branch openings continued during 1957. By June 30, 1957, there were 8,334 banks in the United States, Alaska and Hawaii—87 fewer than at the end of 1956. The number of branches increased from 7,791 to 8,334.

• *Jobless Benefits Boosted*

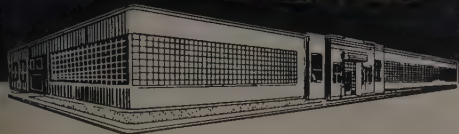
Unemployment benefits were raised in half of the states during this year, according to Commerce Clearing House. A state-by-state survey of recent unemployment legislation reveals that 23 states boosted the maximum benefits available to the jobless by an average of \$5 a week, and 10 other states provided a larger increase by increasing the duration of unemployment benefits.

These pay increases ranged

(Continued on page 40)

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Inflation: Is It Here To Stay?

By EZRA SOLOMON

***Here is a concise analysis of the outlook for inflation
and business activity in the future***

WHAT causes inflation? What can be done about it? What is the outlook for inflation and business activity in the future? The standard explanation for inflation emphasizes the demand side of the economic equation. In this view, a general rise in prices is caused by too much demand chasing too few goods and services. The standard prescription for the malady is to stem the forces of demand—especially through restricting credit and money.

According to a lot of people, the current inflation we have been having is a new and different phenomenon. It is supposed to start on the supply side of the economy. Rising costs, especially rising wages are supposed to push prices up. Most recent discussions of inflation in the news and by business leaders and others have been stated almost entirely in terms of this cost-push factor. The role of demand has been almost completely neglected.

The author is professor of Finance at the University of Chicago. This article is adapted from his address at the Lawyers Dinner sponsored by the Chicago Title and Trust Company.

Shoppers will find some prices rising—especially the prices of services to consumers—but the serious pressure of overall demand will ease over the next 12 months.

This is more than a simple change in theory. It has widespread and important implications.

One implication of the cost-push explanation is that the traditional restrictive monetary measures are worse than useless against modern inflation. They are useless because they affect demand and demand is not the culprit. They are worse than useless because an important consequence of restrictive monetary policy is a rise in interest rates. Since interest is an element of cost, this rise in costs pushes the price level up even faster.

Second Implication

A second implication is that a creeping inflation is inevitable because of institutional arrangements in our modern economy. Industry-wide wage bargaining; cost of living and other escalator clauses in wage contracts; cost-plus pricing arrangements; parity prices for agriculture, all tend to keep costs and prices creeping upward.

The third and perhaps most important implication is that we should learn to live with this sort of creeping inflation and not take restrictive monetary action to curb it. All we need in order to keep inflation in harness is reasonable re-

straint on the part of unions and big business.

The cost-push explanation is misleading and its implications are unjustified and dangerous. Demand is still the most important factor underlying inflation. Without the pull of monetary demand prices in general cannot rise, and sporadic rises that do take place cannot be sustained.

Rising costs are obviously an important factor because they hasten the inflationary spiral directly and indirectly. The important effect is the indirect one. One party's costs are another party's income receipts. When costs rise, income receipts rise and this in turn leads to a rise in demand and expenditures. Nobody denies the importance of costs as a factor in inflation. The important point is that demand—demand backed by money—must be there at all times in order to keep goods and services moving at successively higher price levels. The cost-push explanation ignores this vital point.

In 20 peace-time years from 1897 to 1917 before institutional cost-push factors existed—wholesale prices rose at about 4.5 per cent per annum. Since 1947 with all the so-called cost-push factors in full swing, wholesale prices have risen less than two per cent per annum.

During the past 12 or 18 months, the price level of durable producer goods—for which there has been a very heavy demand—has risen a lot more than the price level of consumer durable goods for which demand has been relatively slack. Although wages and costs have gone up about as much in each industry, construction machinery and equipment prices have risen about eight per cent per annum whereas household durable goods have risen only about three per cent.

If all that is needed to produce an inflationary rise is a rise in costs, why didn't we try this simple remedy during the Great Depression of the 1930's when deflation was our chief enemy?

One implication suggested by the cost-push theory is that tight monetary policy and rising interest rates is the wrong medicine for inflation because interest is a cost and higher costs lead to higher prices. This analysis confuses cause and effect. The purpose of a tight monetary policy is to stem demand by cutting down on the supply of credit. Since a lot of the demand in our economy is financed by credit, tight money and tight credit is anti-inflationary. The cost effect is a negligible by-product of this process. Even in the case of public utilities where interest costs may have some importance, interest charges come to less than five per cent of total costs. The restrictive effect of tight money and higher interest rates on demand overwhelms any cost-push effect it might have.

How to Stop Inflation

Can we prevent inflation? The answer is a clear-cut yes. The federal government through its budgeting policy and through its monetary arm—the Federal Reserve System—has the power to stop a general rise in prices. It can do so with or without the co-operation of business and labor unions and it can do so in spite of all the so-called cost-push factors that have been built into our economic system. It can do so by raising taxes or by cutting federal expenditures. It can also force the banking system to reduce the volume of loans and investments, and make money and credit as tight as it chooses through Federal Reserve policies. In the face of these restric-



Ezra Solomon

tive pressures inflation can be brought to a quick halt.

Two questions arise. Why have they not done so in the past two years? Should they have done so? There are good answers to both questions.

Employment and Growth

Price stability is only one of the goals of overall economic policy. Another important goal is the promotion of maximum employment and growth. Inflation is only one hazard. Unemployment is also a hazard. There exists some degree of monetary and fiscal ease or stringency which will keep us exactly between these two hazards and exactly on the path of noninflationary full employment. Ideally we would like to have the economy poised forever on this midway path—on the brink of inflation, so to speak but without an actual rise in prices.

Now this ideal position can be aimed at but it cannot be perfectly and continuously maintained because the steering mechanism of economic policy is not a simple or exact device. A free economy the size of ours generates many forces that swing it off the ideal path in one direction or the other—sometimes toward inflation—sometimes toward unemployment. Policy must attempt to correct for these forces—but it must not over-correct or it will push the economy toward the opposite hazard.

The recent inflation is a good example of how difficult it is to achieve perfect corrective action. In the first place there is the difficulty of fore-

casting the future accurately in order to know which kind of correction is necessary and how much of it should be applied. Everybody is against inflation—but how many people who now complain about it were sure in 1954 and 1955 that our problems in 1956 and 1957 would be inflation and not unemployment?

In the second place there are lags and other loose links between policy action and its impact on the economy. The effect of monetary stringency can be partially offset and has been partially offset during the past two years through better management and more efficient utilization of available credit and money.

If the credit authorities had been told that their only responsibility was to prevent a rise in prices they could have done so quite easily by taking drastic counter-inflationary action in early 1955. But action drastic enough to make perfectly sure that prices did not rise would have prevented the rise in employment and output we have enjoyed since 1955. When the chips are down it is clear that most of the American economy regards unemployment as an even greater hazard than inflation.

Will we prevent a steady upward creep in the price level in the long run future? No—it is not likely we will. The underlying forces of growth and the process of competition are such that over the next 10 years the general price level is likely to move upwards.

Inflation Less Important

At the first sign of a weakening in demand and an increase in unemployment, inflation loses its position as public enemy number one. During a recession, most groups in the economy—including those who will be hurt by inflation—want a recession cured. Measures that cure a recession are measures that prevent a fall in prices. These measures—like easy money, tax cuts or increased federal spending—also create a new base on which a future rise in prices can be built. In the long run it should be possible to reverse the policies as soon as a recession is licked. But who has the courage to rule that a recession has been completely licked even after recovery has begun?

The current wave of inflation

(Continued on page 38)

Labor's Latest Welfare

Plan: Legal Care

By MITCHELL GORDON

SOMETIME toward the middle of this month officials of six Los Angeles catering unions closet themselves in negotiations with their management counterparts for the purpose of drawing up a new labor contract to replace one due to expire January 15, 1958. That conference more than likely will write labor history — of a kind that may readily affect a great many other employers and workers throughout the nation, not just in the hotel, restaurant and bar business, but in a wide variety of other service and manufacturing industries as well. The labor group that would blaze the trail is known as the Los Angeles Joint Board of Hotel and Restaurant Employees. Headed by General dishwasher John L. Cooper, the board bargains on wages and welfare for some 21,000 of Los Angeles' waiters, waitresses, bartenders, cooks, kitchen and hotel employees. The plan Mr. Cooper means to push on their behalf this year has to do with the contribution by employers of approximately two cents per hour toward a fund that would meet legal expenses of union members.

Only For Legal Cost

Though it's intended principally as a means of combatting economic catastrophe caused by unexpected financial misfortune, somewhat in the manner of the group health insurance plans, the legal aid plan envisioned by Mr. Cooper and his colleagues would also have the fund finance plaintiff actions — where the employee is doing the suing — and defend him in criminal as well as civil action. In no case, however,

would the fund be used to pay fines or other penalties. It's designed to cover legal costs only, though these, of course, could be steep enough in themselves.

Says Mr. Cooper: "We mean to give economic reality to the legal concept 'equality under the law.' Today," says he, "this concept is applicable only to those Americans who have funds to retain competent legal counsel." If Mr. Cooper achieves this high-sounding objective, Los Angeles restaurant and hotel men, bar and night club operators starting in 1958 will fall indirectly responsible for court costs arising from the suit of a neighbor against a chef for his son's baseball shattering a window, for the broken leg suffered at the home of a bartender by a guest who slid on a slippery patio, or for the squabble that's led to divorce action on the part of a waiter's wife.

These employers will also be responsible — or rather, the fund they finance will — for the speeding of an employe on a freeway or his defense against a charge of assault and battery off the job. The fund, as presently projected, would also pick up court and counsel fees for the employe's institution of a suit, say, against a tenant for failing to pay the month's rent on a dwelling unit that employe happened to own or simply to finance legal action against an individual an employe felt had slandered or libeled him.

Despite the rather sweeping scope — and radical nature of the scheme — there's better than a 50-50 chance employers will be going along with it, management representatives concede. As one of them puts it: "What can we do? We may try to fight it,

but in the long run the union pretty well has its way." Union officials are confident they will realize their legal-aid goal, too, because, as one of them explains, "We don't negotiate separately for wages and welfare, but rather for an entire wage packet. So it really doesn't make much difference to the employer whether the two cents go into wages or into a fund to finance legal aid." Unions that negotiate separately on each, he concedes, could have a tougher time of it.

The legal aid plan has been under preliminary labor-management discussion for some months now. Last May, for example, labor officials, management representatives, and a number of local legal experts, such as Dr. Robert Kingsley, Dean of the University of Southern California Law School, and William B. McKesson, Los Angeles District Attorney, held a day-long session on legal aspects of the scheme and its feasibility. Consensus: the plan is pock-marked with problems, not the least of them economic — but perhaps none that couldn't be overcome if certain limitations on its application were established. The extent to which the union is willing to go along on these limitations will no doubt be determined in the negotiations that get under way this month.

Other Unions Interested

Results of these negotiations will be watched with great interest throughout the country. The Los Angeles union's own parent body, for example, the 500,000-member Hotel and Restaurant Employees and Bartenders International Union headquartered in Cincinnati, might well adopt the scheme as a collective bargaining objective of its own. Other unions that have asked the Los Angeles group to keep them informed on the legal aid idea include the United Automobile, Aircraft & Agricultural Implements Workers of America; the United Steelworkers of America; and the International Association of Machinists. All of them, like the hotel and restaurant employes union, are affiliates of the A.F.L.-C.I.O.

Should legal care ever become as familiar a feature in labor contracts as group health insurance, the burden on employers — and, therefore,

(Continued on page 24)



Stone and foliage used to dress up house and yard

CHICAGO, source of the architecture that helped build the modern Metropolis, today is designing and testing the tools that may save the Metropolis from decay. While debate rages elsewhere over whether cities are obsolete, Chicagoans have set about determinedly to prove not only that the Metropolis can be rejuvenated, but that cities can offer positive values

unmatched by other social arrangements for living and working together.

The tools invented in Chicago, and since emulated and strengthened through state and federal law, are those of conservation. Charged with considerable powers to use these tools, and to stimulate their application by other city agencies and the citizenry, is the Community

Chicago Face

29 community groups

Conservation Board of Chicago. The Board concerns itself with 24 communities, involving almost two million persons, or a little over half the city's population.

Conservation is being legitimized and financed by government because it had become apparent that the old approach of slum clearance, first conceived in a depression period of low costs and property values, could not do the job alone. President Eisenhower's Advisory Committee on Government Housing Policies and Programs estimated that to clear the nation's minimum five million housing units requiring demolition would cost \$15 billion.

Concluded the committee, "If we continue only at a present rate of clearance and rely on demolition alone to eliminate slums, it will take us something over 200 years to do the job. . . . It is obvious we must check the cycle of decay before slums are born."

As the name implies, conservation



Before: street traffic congests the shopping district, slows transit movement



After: the interior district becomes a plaza for customers and for efficient, safe transit movement

ne Challenge of Neighborhood Decay

rganize to fight spread of blight in established residential areas

By JUNE BLYTHE

combines many approaches, which include partial clearance, to reorganize neighborhoods to better accommodate the city's growth. A substantial number of Chicago leaders have held that overcrowding, jammed traffic arteries and aging classrooms are symptoms of decline but of gains—more production, more commerce, more jobs and more people. The challenge, they feel, is to find methods of adapting and modernizing the city to keep pace with itself, so that it shall match both physically and biologically its economic prowess.

Beginning of Conservation

Chicago's efforts to conserve its neighborhoods began almost 20 years ago with the organization in 1938 of America's oldest community planning group, the Southtown Planning Association. A year later came the Back of the Yards Neigh-

(Continued on page 41)



A new front on an old building in the Lincoln Park area



ere: unused streets and haphazard parking facilities add to congestion in shopping areas



After: streets no longer needed for traffic movement are converted into pedestrian arcades leading to parking



Frank F. Kolbe

Poland, 1957

He motored 2,000

By

FRANK F. KOLBE

The author, president of the United Electric Coal Companies, recently returned from Poland where he went as chairman of a committee of eight American coal experts to investigate Polish coal mines. The trip was made at the suggestion of the State Department who had previously sponsored a visit to the United States by a group of Polish coal mining executives and members of the coal mining administration. The committee was selected by the National Coal Association. The group made a thorough inspection of eight mines and had long talks with the operating personnel. Detailed discussions with the ministers in charge of coal planning, production, and transportation and with their staffs acquainted the committee with the varied and sometimes com-

plex phases of the industry. They were allowed to see everything they wanted to see and all of their questions were answered without restraint or reservation.

The committee arrived at Warsaw by way of Prague and then went to Katowice, which is in the center of the coal region (in southwestern Poland). The committee was in Poland for a little over two weeks. All of the committee's time was not taken up with the business of visiting coal mines. The Poles were very hospitable and provided a variety of entertainment, all of which included much feasting at numerous dinners and lunches arranged by the Ministry of Coal Mining. The following is a digest of some of Mr. Kolbe's personal observations.

AFTER the other members of the committee had left Warsaw, I engaged a car and driver and motored to Danzig through former Pomerania to Frankfurt an der Oder, and back to Berlin. My driver had come from Danzig of Warsaw and spoke only Polish. Since I spoke no Polish, our conversation consisted of my telling him things in German and his telling me things in Polish; but somehow we managed to understand each other. I wanted to go to northern Poland, because in 1885 my parents came from the district near Kolb in Pomerania west of Danzig. I wanted to see the area in which they had lived.

Formerly this district was all German and largely Protestant but now it is entirely Polish. The Poles came from east of Warsaw, but



Skyline view of Warsaw



A market place outside Warsaw

A Chicagoan Tells What It's Like

iles and saw much rebuilding and rubble, perfect roads and poverty

en over the district, and the
rches are all Catholic. The farms
all tilled, but the towns have not
n rebuilt. All had suffered much
truction, and some were piles of
ble. Many reminded me of the
s in a bowling alley after a
t—all the center pins down and
in standing on each edge outside
the path of the ball.

Roads in Good Shape

n my trip through northern Po-
d, I went where my fancy took
The main roads of Poland are
very good condition. In 2,000
es of travel, I never saw a hole.
ne of this is due to light travel.
ere are only 43,000 passenger
s and 85,000 trucks registered in
and. In northern Poland, I trav-
d a hundred miles without pass-
another passenger car.

The lack of plan in my travel

(Continued on page 26)



A rebuilt area in Danzig



Dunajec River in southern Poland



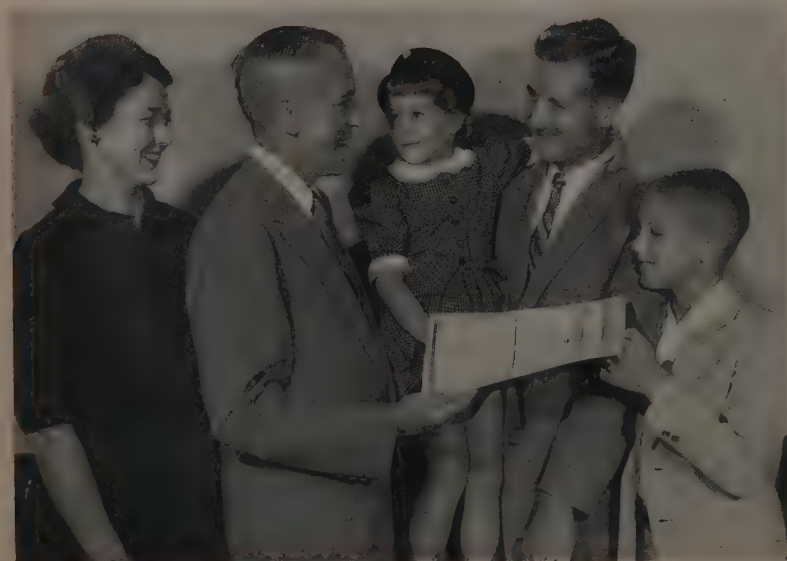
Excavating equipment in sandmining operation



This was parched land a few years ago. Today the Milwaukee Road operates an 11-track freight yard embodying 8.4 miles of track on the site. Located at Othello, Washington, the facilities have a total capacity of 660 cars and can refrigerate 60 cars at a time from the platform (above)



Chicago will be the center of the world for metals scientists and metal industry leaders November 2 through 8 when the city holds several concurrent conferences here. But year 'round, the city is a leader in the industry as this cast aluminum assembly, the largest ever made, will attest. It was produced by a division of Howard Foundry Company in Chicago. Developed for guidance of missile launching sites, it is 14 feet high and has a diameter of 10 feet



With the sale of this first policy by Dale Huddleston family of West Chicago, Illinois, Allstate Insurance Company enters the life insurance business. Left: second from left, Clara B. Kenney, president, presents Huddlestons with their mortgage cancellation policy. Allstate is now the life insurance business in Illinois and expects to be in three other states by the end of the year.

Highlights



Left, six-year-old Lei Lani Wolverton, Chicago's Easter Seal girl, uses a golden shovel to turn the first spadeful of earth for a new headquarters building (above) of the National Society for Crippled Children and Adults in Chicago. Among those attending were (left to right): U. S. Congressman Charles Boyle; Dr. Karl A. Meyer, medical director of all Cook County Institutions; Walter E. Foss, designer of the building; Mrs. Bernice T. Van der Vries, consultant in legislation for the National Society; Stuart Stone, executive committee member, Illinois Association for the Crippled; and Theodore H. Wegener, president of the Society.



A Marine Corps sergeant gives a sheet of Asbestolux, a new lightweight, incombustible building board, a blast from a flamethrower. Made by North American Asbestos Corporation, the board is composed entirely of inorganic material and is said to be completely resistant to fire, heat, rot, mold, or vermin



Dominic M. Salvino (left), a student of J. Sterling Morton High School, Cicero, Illinois, with the sharpening fixture he made which won him first prize and an outstanding achievement award in the machine shop division of the Ford Motor Company's 1957 Industrial Arts Awards Competition



At any period of the day employees can get a snack or a meal

A FEW years ago, the idea of buying complete meals from vending machines was something for vendors to talk about at a convention, but little more than that. Today, thousands of plant and office workers, in companies large and small, are buying lunch from silent salesmen. The companies involved are more than routinely satisfied with this new wrinkle in mass feeding. For, not only are they providing their employees with wholesome, low-cost meals, but also they are doing it without the periodic, and usually expensive, subsidy that is almost always needed to operate a company cafeteria.

Vending machines are not exactly a novelty on the industrial scene, of course. For years, they've been dispensing cigarettes, candy, and similar snacks and sundries. But it wasn't until the beginning of 1956, when the first hot canned food machines appeared, that most vendors could offer their customers complete meals. For these machines provided a type of food item that couldn't be dispensed automatically before, except with expensive, specially designed equipment which usually required the vendor to have his own kitchen. One operator explains the situation this way:

"Until hot canned food machines came along, the bulk of the products we offered were the kind found at the gum and candy counter surrounding the cashier in the typical restaurant, or under the 'dessert' listing on the menu. Now, we've moved into the 'entree' and 'appetizer' sections as well. For the first time, we're able to dispense a wide variety of complete meals."

That vended meals represent a very real contribution to the art of mass feeding, especially industrial mass feeding, is clear from the experience of companies which are now relying entirely on the machines to provide meals for their employees.

Vending Machines Simplify

Hot or cold, snacks or meals vend

In 1955, according to the National Automatic Merchandising Association, there were fewer than 500 such plants in the country. And even in these installations, the selection often was pretty limited — i.e., a couple of kinds of soup and/or cold sandwiches. A year later, "Vend,"

the industry's leading trade magazine, estimated that 6,800 hot vending machines were in service dispensing such items as pork beans, Swiss steak, chicken a la king, beef stew, spaghetti and meat sauce, macaroni and cheese.

The soup selection provided

Airport Vending Service, Inc. "personalizes" its vending machine service by having a hostess on duty during the lunch hour periods





Complete cafeteria in a minimum amount of space

Employee Feeding Problems

Machines provide around-the-clock service

By **PHIL HIRSCH**

mic illustration of the change. 1955, about the only kind you get from most vending machines was the powdered liquid concentrate variety, which

was mixed with water and heated in the machine, then dispensed into a paper cup. Since 1956, any type of soup capable of being put in a can has been available. The selection

hostess helps the vending machine customer by heating sandwiches; providing containers, napkins, and utensils

Vend Photo



has increased from less than half a dozen varieties to 25 or 30.

The cost of setting up and operating a conventional cafeteria is probably the major reason full-line feeding has caught on so rapidly. Says Bernard J. Kiley, president of Airport Vending Service, Inc., one of Chicago's major operators: "The average company dining room involves an initial investment of anywhere from \$50,000 to \$100,000 for food-preparation and serving equipment. By using a bank of vending machines instead, management saves this expense. The vendor puts up the money for the equipment he installs. All the company has to do is supply floor space and utility connections."

One of Kiley's early installations was at a large plant in a Chicago suburb where management has been paying "a couple of thousand dollars a year" in subsidies, Kiley reports, to keep its manually operated cafeteria from sinking into a sea of red ink. Since installing the vending machines, this drain on corporate funds has been completely eliminated, he adds. Equally important, company employees are quite happy with the food they're getting.

First Complete Meal

The first vendor in the country to offer complete meals was probably Automatic Merchandising Company, another Chicago concern, which also has a number of installations in Detroit. The firm went into automatic catering about three years ago, and today has some 45 installations. Significantly, two-thirds of them have been in service less than a year and a half. Says AMC Vice President William Fishman:

"A battery of vending machines usually can dispense complete meals much more efficiently than other mass-feeding systems in plants where:

(Continued on page 39)

Labor's Latest Welfare Plan

(Continued from page 15)

the pressure on prices of things they sell — could become formidable. Alexander Schullman, counsel for the Los Angeles hotel and restaurant employe group, calculates the total cost of the scheme at between \$25 million and \$30 million a year — once the idea is as widely accepted as health insurance is today, meaning a coverage of 600,000 workers. And that's based on an employer contribution of just one cent an hour while the union is actually seeking two cents (it isn't offering

any contributions at all from employe pay checks).

If past experience is any guide, even the two cents won't be enough. When it was instituted in September, 1954, for example, the same union group's dental plan called for an employer contribution of just a penny an hour. Today, that contribution is 1.5 cents per hour and even at that the union has "temporarily" had to restrict benefits of the dental plan compared with what was first envisioned.

No one, of course, can calculate in advance what people are expected to spend for legal services once they have been relieved of the burden of paying those bills themselves. Mr. Schullman says he would escape this uncertainty, in the first year at least, by limiting expenditures to what was actually in the fund itself and suspending operation once these means were exhausted.

Such restraint, of course, is bound to lead to only one development: added pressure by the union in future negotiations for a boost in employer's legal aid contribution to permit the plan to work as originally intended.

Some 250 Chicagoans took the eight-day inspection tour of the St. Lawrence Seaway sponsored by the Chicago Association of Commerce and Industry. Leaving on September 3 (below), the group made a sightseeing stop at Mackinac Island; at the Straits of Mackinac, where Lakes Huron and Michigan meet; Toronto, Ontario; and Clayton, New York.

In the Massena, New York area, construction was viewed on the Long Sault Canal, the Eisenhower and Grass River locks and the power generating facilities (right) under construction by the State of New York and the Province of Ontario.

Cruise host was William W. Huggett, president of the North Pier Terminal Company and chairman of the association's Harbors and Waterways Committee. Tour members included business, professional, and civic leaders and their wives as well as city, state, and federal government representatives.





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Poland 1957: What It's Like

(Continued from page 19)

prevented me from reserving rooms ahead of time. One night I was fortunate to find a room at all. I finally did in a multifamily building where a family of four took me in. They moved three people out of a room which they then gave to me; it didn't occur to me to ask where the three were going to sleep. For the first time in my life, I slept on a straw mattress under a straw covering. I was tired, but I was unable to get to sleep, because the pigs un-

der the window kept grunting and the geese cackling.

My straw mattress bed was not typical of the country, as all of the other places where I stayed had regular mattresses, although usually somewhat hard. My hotel in Poznan, which had been built before the War, was good.

The people were very friendly. Fortunately, I could speak German fluently, and since many of the Poles west of Warsaw know German,

this allowed me to talk with groups of people without a third person.

Jazz music is very popular in Poland, especially American tunes of some older vintage. The orchestras were always playing "Begin the Beguine," "When the Saints Come Marching In," "Beale Street Blues" and "Muskrat Ramble." Poland has some television, and I saw one letter to the editor in which the writer wanted to know, "When are we going to see Elvis Presley?" On a station platform I met a young boy of 16 who had on a lapel button that I couldn't identify as Gomulka or anybody that one would think of as a normal subject for a button. I looked at it closely and found it was Louis Armstrong!

The book stores in Poland were full of translations of American, German, French, and English books. Among them I saw copies of Steinbeck's novels, French classics, and works of Thomas Mann. The Polish people can find whatever they want in their book stores, as long as it is not concerned with immediate political problems.

Propaganda

The Polish newspapers are full of propaganda and misstatements about the West, some of which are blown up into big headlines and column articles. Originally the radio and newspapers were full of stories about how poor America was, beset with strikes and lack of production and how well everything was going in Russia, but the Polish people noticed that they got bundles from their relatives in America and nothing from their relatives in Russia. Also, when an American Pole came back to Poland, he had so many bags and bundles that they had to send a horse and wagon down to the station to transport them; whereas when a Pole returned from Russia he returned with nothing. Thus now these stories of American poverty and Russian richness are just a cause for amusement.

I talked with all sorts of people. One night in Danzig I was not able to get around to having dinner until 11:30. On going into the dining room, where there was dancing and a singer, I found that I could no longer get any hot food. However, the waiter, who did not speak Ger-

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PEOPLES GAS
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man, only French, told me that he would get me whatever food was available, but that it would be cold. While I was waiting for him, four people at another table beckoned me to come over. They were insistent.

One of the men was a Yugoslav. The other probably was a black marketeer as he had an enormous roll of \$20 bills that he could hardly have accumulated from an \$80-a-month salary. He had brought the two girls in the group with him from Warsaw, 250 miles away. They were good-looking and well-dressed. While the Yugoslav was dancing with one of the girls, the waiter brought in their dinner. The other man and the girl realized that I could not get hot food, so they insisted that I eat one of the girls' meals; and after they had insisted for a long time, I finally got another plate, divided up her meal, and ate half of it. They thought that was very noble of me, to divide up the food and not insist on eating all of it. I thought it was very amusing, my eating half of a strange girl's dinner in Danzig.

The man who had brought the

girls was an engineer and was particularly anxious to know what I thought about his going to South America. He said it was ridiculous for him to stay in Poland where he could earn only \$80 a month. He didn't want to come to the United States, because he didn't think he was a good enough engineer, but he did think he could make a success of it in South America. I met many people who were interested in getting out of Poland.

Although there were many people from East Germany in Poland, I talked with only two of them. These two were school teachers, aged 21 and 24, whom I met on the train going from Poznan to Berlin. The train left Poznan at 2:30 in the morning. The porter dumped my baggage into a compartment where the two girls were sleeping, one on either side of the compartment. It woke them up to have me come in, and we talked for about an hour. They had been on a tour to Moscow, then to some health resorts on the Black Sea, and to Kiev. They were aghast at the prices in Moscow. Apparently the standard of living in East Germany is higher than it is

in Poland, and in Poland it is higher than it is in Russia. In the morning we talked some more about their trip, and an engineer who in their party also came in. He was not impressed with the new apartments in Moscow, particularly where there were always many people in each room. The beds were old ones and the furniture was older.

The two cities that appealed to me the most were Krakow and Poznan. Krakow was the Polish capital up to the year 1600 and has the charm of the other great cultural cities, Florence, Bruges, Nuremberg. Poznan was the capital of German Silesia and has a solid German quality.

Churches Always Full

I was struck with the attendance at the churches. Whether one went at six o'clock or nine o'clock in the morning or one o'clock in the afternoon, the churches were always full. This was true in Warsaw, Katowice, Zakopane in the southern part, small towns along the Baltic. There were almost as many men as women in the churches. There were no children in the pews—there was no room for them; they were standing or kneeling in the aisles. The children had beautiful complexions and seeing them kneeling in the aisles with their rapt expressions, they looked at the altar reminding me of the paintings of the angels. There were some soldiers attending the church services, something which would not have happened before the October uprising. Also, I saw a Jewish wedding. The bride had on a bridal dress. Prior to the revolution, the couple would have been married in street clothes.

The officials of the government are Communists. Other people talked with told me they themselves are not Communists, but strong Catholics, and that only a very small percentage of the population, less than three to five per cent, are Communists. These three to five per cent get their living by being Communists, and if this ceases, they would cease to be Communists. In America Communism is a personality defect. In Poland, it is a means of gaining a living.

Before I went to Poland, I was



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that Poland is Communist. Actually, only the government is Communist, and this has to be because the Russians. The people are not. The same thing is true in East Germany, is probably true in all the satellites, and may also be true in Russia.

Farmers in the southern part of Poland and operate small farms. In the northern part the places are much larger and are probably state-owned. People in the mining districts work very hard, particularly the women. I saw women, some of these young girls of light build, picking watermelons as big as watermelons out of the coal and throwing them over their shoulders without apparent effort. It is tough work, however.

There is a tremendous amount of rebuilding going on in Poland. Warsaw is largely rebuilt. However, the rebuilding construction is going to require a lot of maintenance because of the pressure under which the work was done. It rained twice while I was in Poland. In both cases the water came through the walls. In southern Poland there is a great deal of individual reconstruction going on where people get 25-year loans from the government to build houses. I saw one foundation being laid by a woman and her ten-year-old daughter.

Collective Farms

I asked the Poles why it was that with so much agricultural land they did not raise enough to feed themselves, but had to get food from the United States. They said it was because the collective farms did not produce high yields.

People in Poland are very poor. A girl worker in the coal mines earns the equivalent of \$20 per month. A man worker on the railroad earns about \$50. Clothes are of poor quality. When a farmer is fortunate enough to own a cow, he will skim the cream from the milk, convert it into butter, and sell the butter in town; then he drinks the skim milk. He will sell his eggs as cheap as his hens can lay. Then he feeds the hens.

The Poles have been in the war since 1939, first with the Germans and Russia, then later with the Russians who have stolen everything they could, with the result that the Poles now are extremely poor. I

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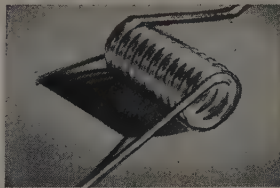


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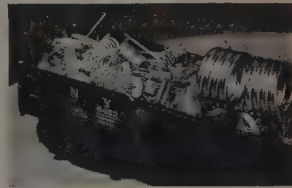


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went into Poland with three suits and came back with two, seven pairs of socks and came back with one, two pairs of shoes and came back with one. You feel so much sympathy for them that you give them what you have.

A great deal of the machinery in Poland comes from East Germany, and there is quite an economic tie-up between the two. There is also a cultural tie. I spoke with a doctor in Poznan who was going to be a professor in Leipzig. He was very thankful for the American publications in his special field which have been made available to him.

I was struck by the fact that I never heard a Pole say, "The Germans did so and so." Always they referred to National Socialists, Hitlerites, or fanatics.

I talked with people in various parts of Poland who had seen the Poznan Fair. They all were very impressed by the American exhibits, particularly the American house. The Poles have a tremendous curiosity in regard to anything new. When a new make of automobile appears on the streets, you will immediately see a crowd around it.

We went through a new power plant of 300,000 kw. capacity that had been built by the Russians. It had six 50,000 kw. generators, all of which vibrated a great deal, one of them excessively. The floor was not put down well, and the tiles were coming up.

We visited a coal-cleaning plant designed and built by the Russians. The coal mine had a capacity of 5,000 metric tons per day, and the Russian washing plant, 20,000 metric tons. It was ridiculous to put up a plant four times too big and costing \$10,000,000 when a \$2,500,000 plant would have sufficed. This is an example of Communist planning.

The only good thing I heard about the Russians was that they have a coal field in Siberia of superlative coal and low mining costs. The output in this field has been increased from 20,000,000 tons to 100,000,000 tons per annum, and this can easily be expanded. This coal field is too far away from western Europe to interfere with American coal markets, but it does give Russia a tremendous industrial potential.

Why have the Russians allowed

the Poles so much freedom? I heard a lot of explanations, none of them adequate. It may be that, while the Russians have their troops in Germany and therefore 800 miles into Europe and only 300 miles to the English Channel, they are more interested in maintaining a good transportation link with those troops than in anything else. They cannot get everything out of Poland that they want, economically and militarily. There must, however, be some weakening of Communist ideology in Russia itself among the people in power, or they would have freed the political and religious prisoners in Poland.

Prisoners Freed

For instance, one bishop who preached a sermon in 1950 in which he said twenty times, "No one has won a battle against God," was kept in prison until last October. Now he is free. Also, I met a Pole who had been in jail three times, saying that Communism is a filthy mess. He now has a high position in the Polish coal mining administration. I met another chap who had been in jail three times for the same thing and is now free. Most of the Poles I talked with had no hesitation in saying just what they thought about everything. I was always being told, "The facade of Communism may look good, but behind the facade, it is a dirty mess. If the Communists in power in Moscow were still fanatic Communists they would not permit this, because to fanatics, heresy is the great crime and is put ahead of economic and military considerations. There is no question, either, that whatever the Russians do there is always a reason behind it. They calculate. All that is visible is usually a deception."

The Poles are a difficult people to conquer. Germans who lived there during the war told me that the Poles were never subdued. They are not individually proud, but they have a pride of nationality. After all, Poland has been a great nation. They had to beg food from German soldiers, and they did so with a manner that said they were hungry but not conquered. As they kept on fighting. It may be that the ruling faction in Russia do not want to become involved in

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with Poland at the same time they were fighting with their eternal enemies.

I met a great number of very fine Poles in Poland. I visited the concentration camp at Oswiecim where four or five million people were killed and later had breakfast with a girl who had tattoo numbers on her arm. She had been in Oswiecim six years and her husband had been in Buchenwald six years. She said, "You see, we weren't all killed." I asked her about Oswiecim, and she said, "I don't think about it any more." She is secretary to the manager of a hotel and is an extremely well-adjusted person, concerned only about the present and the future. She wants her boy, who was born in Oswiecim, to have a good education.

I also met a woman who married in 1932. Her husband was drafted into the German army in 1939, spent four years in Russia, was captured by the Americans, and later was sent to the Russians. After two years of labor in Russia, he was sent home an invalid. His wife nursed him, but he never recovered. He died two years later.

This same woman told me about a cousin of hers who had been wealthy, owning a mill and other property. He married a Jewish girl. When Hitler came in, he imprisoned the wife in Oswiecim. Her husband sold his mill and all his property and took his money and jewels to the guards at Oswiecim. He said, "This is all I have. I haven't anything more. You can have it all, but take me my wife." So they took his money and jewels and gave him his wife, who had already been dressed in a black paper garment in which she was to be gassed and cremated.

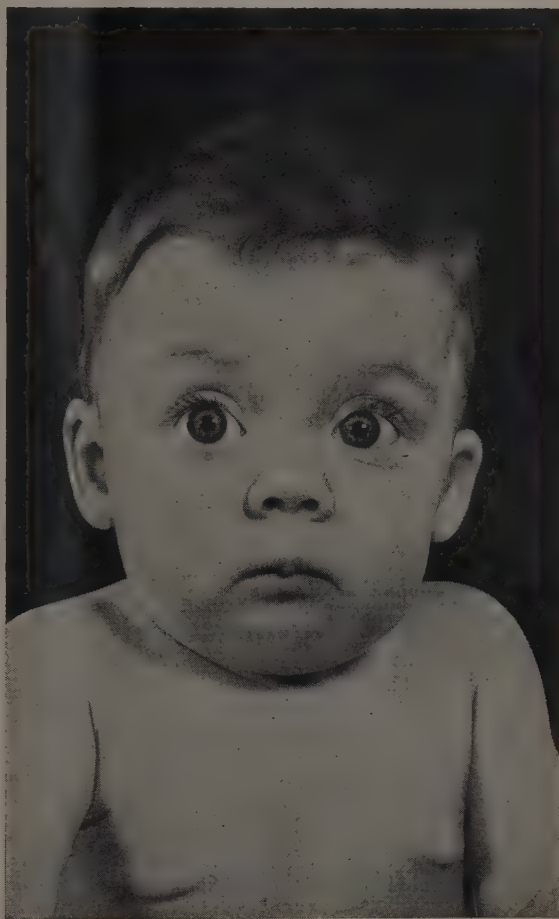
The couple hid out during the rest of the war, as did the wife's mother. After the war they again became prosperous. They got back their property and their mill. They have a three-year-old daughter, and the husband says, "What wonderful thing is this that has happened to me that I should have such a daughter!" I told my friend, "These are the people that I must meet," but she said, "You cannot. Six months after the war they again sold everything they had and went to Haifa, where her mother and father are doctors."

The Poles have a great spirit. In spite of what they have been

through and their precarious position, they carry on. As one father of five told me, "We Poles have to have large families, because every 25 years someone comes along and kills off all of us older people." When I was in West Germany in April and May, I was continuously being told by Germans that they were through with wars, they would not be soldiers again. No Pole ever told me that.

I found several people who are very interested in a United States of Europe. After all, Poland is indefensible. It is just a part of the

large plain that extends from the Urals to the North Sea. There are no defensible boundaries. Today the situation is worse for Poland, in that in the past a country could be defended by the bravery of its people; now it has to be defended by machinery—jet planes, atomic bombs, artillery, and means of transportation. Poland is not equipped to manufacture these things in the quantities that Russia or western Europe is. They can only live as part of some larger group, and many of them know it.



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Industrial Developments

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VESTMENTS in industrial plant facilities during the month of September amounted to \$67,916,000 compared with \$75,087,000 in September, 1956. The September total nearly triple the amount in any other month of this year, and brings the total for the first nine months of 1957 to \$206,715,000. The total for the nine month period in 1956 was \$482,736,000.

While smaller than last year's September figure, the figure for September, 1957 is an especially high one, exceeding all months of 1956 with the exception of March and September.

The nine month total exceeds that of twelve of the eighteen prior years as far as 1940. The only years when larger dollar totals were announced were during World War II in 1941 and 1942, during the Korean War in 1950 and 1951 and during the last two record breaking years of 1955 and 1956.

Projects covered in these announcements include the construction of new plants, the expansion of existing plant facilities and the acquisition of land or buildings for industrial purposes.

Inland Steel Company has announced two additional construction projects at its Indiana Harbor works in East Chicago, which were not included in its huge expansion program first announced in November, 1955. These additional projects are the erection of a new sintering plant which will expand the iron making capacity of this mill by 300,000 tons a year, and a wide flange beam mill which will increase the capacity for the manufacturer of that type of structural shape by 54,000 tons a month. The demand for wide flange beams has been accelerated by the advantages of wide flange structures without intermittent supports, used especially in modern

one story factories, commercial buildings, highway bridges and overpasses. The company will abandon the production of railroad rails when it completes the new beam capacity, stating that there is excess capacity in the country for rail production. The two projects will be erected on new extensions of the Inland property created by filling in Lake Michigan adjacent to the existing plant.

• **Youngstown Sheet and Tube Company** is planning to erect a new sintering plant at its Indiana Harbor works in East Chicago. The new plant will allow the utilization of flue dust and other waste material which may be recovered and utilized in the blast furnace operation. The company has just completed construction of a new tin mill and a new seamless tube mill at the same plant.

• **Western Electric Company** is adding to its Hawthorne works 250,000 square feet of floor area in the form of a one story brick building to expand its metal mills building. United Engineering and Construction Inc., engineer.

• **Western Electric** has also acquired 140 acres of the southeast corner of Hawthorne Lane and Kress Road near West Chicago which will be used for a warehouse building at a future date.

• **Kitchens of Sara Lee, Inc.**, operating two plants in the Chicago Area, one at 2109 S. Carpenter street and the other in River Grove, is erecting a new 110,000 square foot building at 5401 Elston avenue at which it will consolidate its operations. A research center and quality control laboratory and an experimental bakery will be features of the new facility. Temperature and humidity controls will be utilized, as

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well as 10,000 square feet of freezing area.

• **Interlake Iron Corporation**, at 108th Street and the Calumet River, is adding ore unloading facilities and installing new dock structures at this plant. In addition to the coke oven batteries which were previously announced, Interlake operates two blast furnaces at this location. The plant produces basic, malleable, foundry and Bessemer pig iron from Lake ores.

• **Revere Electric Manufacturing Company**, which makes all types of outdoor lighting equipment in its plant at 6009 N. Broadway, is erecting a new factory containing 110,000 square feet of floor area which will be located at 7420 Lehigh avenue in Niles. The company will move its entire operation to the new plant in the spring of 1958. Arthur M. Heda, architect; J. Emil Anderson and Son Inc., general contractor.

• **Chicago Metallic Manufacturing Company**, 3711 South Ashland Avenue, will erect a new 80,000 square foot plant at Lake Zurich which will be utilized for the production of products of the firm's baking division. A. Epstein and Sons, Inc., architect and engineer.

• **Lehigh Western Steel Products**, Addison, is erecting a new steel warehouse building in Franklin Park containing 65,000 square feet of floor area. The company will move its entire warehousing operation to the new plant upon completion. Clearing Industrial District will erect the building.

• **Du Kane Corporation**, St.

Charles, is erecting a 68,000 square foot addition to its plant for increased production of its line of electronic equipment, which includes sound and intercommunication equipment and audio visual aids, projectors, amplifiers and records. Lamp Construction Company, general contractor.

• **Teleweld, Inc.**, in Franklin Park, is building a new factory in the same suburb which will be located at 11535 Franklin avenue. The new structure will contain 45,000 square feet of factory space and 5,000 square feet of office floor area. The firm manufactures pressure vessels, tanks and heating apparatus. Clearing Industrial District will erect the building.

• **National Metalwares Inc.**, Aurora, is erecting a new factory building in the same suburb at 700 N. Russell street. The firm manufactures tubular steel products, and its new plant will contain 49,000 square feet of floor area. L. R. Solomon and Associates, architect and engineer.

• **Ohmite Manufacturing Company**, Skokie, is adding 43,000 square feet of manufacturing floor space for increased production of electronic components. Friedman, Alschuler and Sincere, architect; Roberts Lang and Gray, general contractor.

• **Artag Plastics Corporation**, 2853 W. Irving Park road, is expanding its factory with the addition of 26,000 square feet of floor area, which will be in the form of a separate building adjacent to the present plant. The firm is engaged in injection moulding of plastic products and will expand its new operations

into the new plant when complete. Powell, Korf and Rosenfeld, general contractor.

• **Hi-Life Packing Company**, food manufacturer, with its plant located at 2445 W. 48th place, adding 22,000 square feet of space for storage purposes. Ralph Harris, architect.

• **Chicago Standard Transformer Corporation** is erecting an addition to its plant, which will contain 100,000 square feet of additional space. The firm is located at 1111 W. Addison street, where it manufactures all types of transformers, television components. The project is expected to be completed around the first of the year. A. F. Langmeyer, architect; Chell Anderson, Inc., general contractor.

• **Standard Stamping and Forging Company**, 3129 W. 11th place, is adding 13,000 square feet of warehouse area to its plant. Underway, the additional space is expected to be completed by the end of the year. In addition to manufacturing heating equipment, registers and grills. H. B. Lohmiller, architect.

• **Woodwork Corporation**, America, 1432 W. 21st street, purchased the 13,000 square foot building adjacent to its plant at 2013 S. Laflin street. First Real Estate Company, broker.

Here, There and Everywhere

(Continued from page 8)

equipment previously manufactured by the company.

• **Transistor Sales Boom** — Annual sales of transistors and other semiconductors could reach \$1 billion in the next ten years, predicts James H. Sweeney, manager of marketing for General Electric Company's Semiconductor Products Department. Sales of semiconductors are expected to exceed \$140 million, an increase of 82 per cent over 1955. Semiconductor industry sales of \$100 million in 1956 and 40 per cent of what most market analysts predicted last December. — Mr. Sweeney based his 1967 prediction on the rapidly expanding number and variety of applications for semiconductors.

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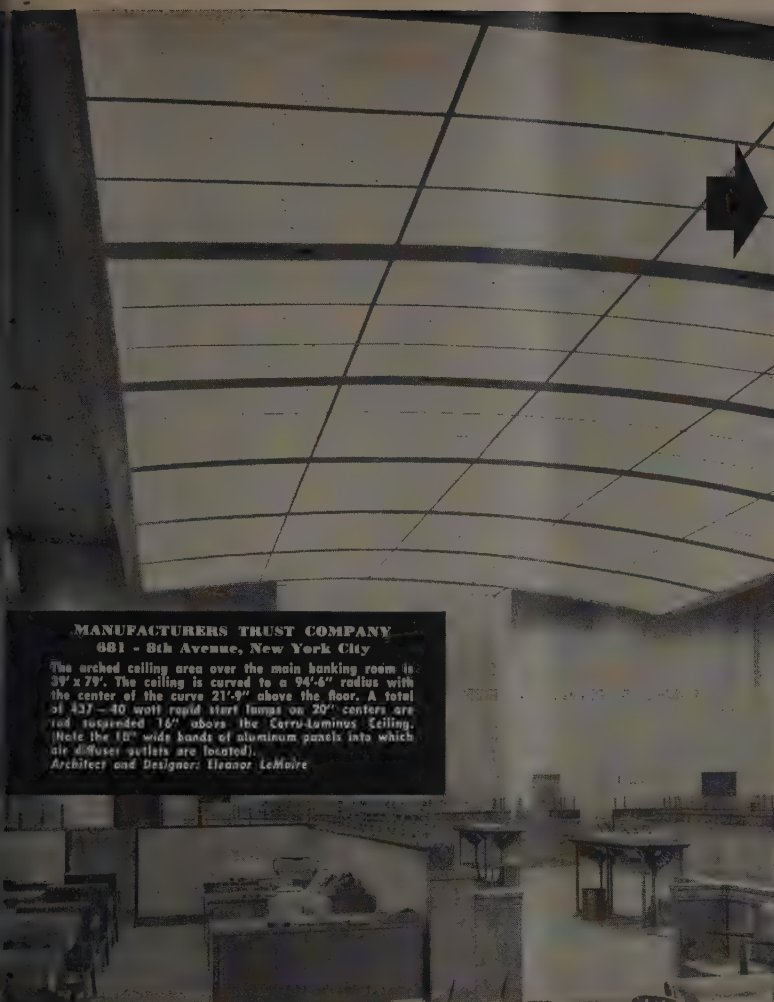
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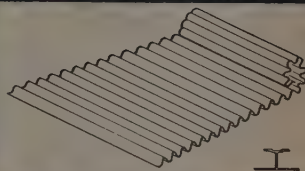
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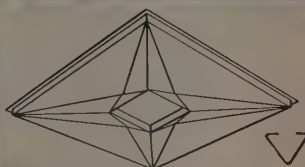
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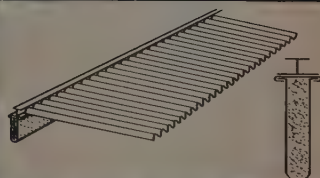
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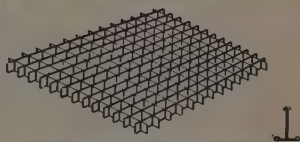
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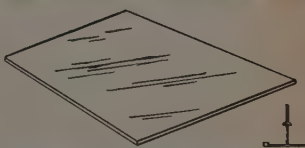
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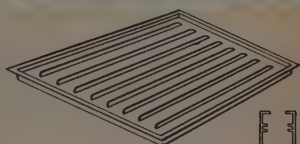
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Transportation and Traffic



BUILDING of the south side of Navy Pier and construction of a new berth general cargo terminal by the City of Chicago, was recommended in a report submitted by Mayor Daley. The report also suggests that this be followed by construction of a pier 2,420 feet long and 650 feet wide at Randolph Street for a nine-berth cargo terminal. The report was prepared by a New York firm of Tippetts-Abbett-McCarthy-Stratton on the request of Mayor Daley. The estimated cost of the proposed project would be as follows:

Building Navy Pier.....	\$ 8,000,000
Building New Pier.....	15,500,000
Harbor Improvements.....	14,600,000
Total	\$38,100,000

\$14,600,000 for harbor improvements would be paid by the federal government and the balance would be paid by Chicago bond issues approved by Chicago voters. The report estimates that after the proposed plan Navy Pier would have a capacity of 260,000 tons annually and the new pier 630,000 tons a year, for a total of 890,000 tons. Potential overseas tonnage could reach 380,000 tons in 1970 and 1½ million tons in 1975, the report said. Mayor Daley is submitting the report to the City Council for further study.

C.C. Reopens Eastern Territory Iron and Steel Rate Cases: The Interstate Commerce Commission has reopened for reconsideration the proceedings involving railroad motor carrier iron and steel rates in Eastern territory. The cases are MC-C-1510 Iron and Steel Articles—Eastern Common Carriers, MC-C-1629, Iron and Steel Articles—Eastern Contract Carriers, and MC-C-1487, Iron and Steel Articles—Eastern Territory. In its order in the proceedings the commission prescribed a scale of minimum rates

on iron and steel articles for both common and contract motor carriers. Railroad rates on iron and steel articles were found not unlawful. Further hearing in the cases is set for October 7, 1957, in Washington, D. C., before Examiner Naftalin. The October 1, 1957, effective date of the order has been postponed indefinitely.

• **Airlines' "No-Show" Penalty** Effective September 15: Effective Sunday, September 15, the nation's scheduled airlines began assessing a \$3.00 penalty on passengers who fail to show up for their flights without giving the airlines adequate notice. The \$3.00 fee will be collected when a delinquent passenger presents his ticket for refund or for booking on a later flight. The object of the penalty is to eliminate such "no-shows"—people who make reservations, then change their plans, fail to show up at flight time and don't bother to cancel their reservations. The result is "sold out" flights taking off with empty seats which were denied other travelers who really needed them.

• **Hearing on Express Rate Increase** October 7: Hearing in Ex Parte No. 210, Increased Express Rates and Charges, 1957, will be held October 7, 1957, in the Washington, D. C. offices of the Interstate Commerce Commission, before Examiner J. A. Russell. The case involves the petition of the Railway Express Agency, Inc. for a nationwide 15 per cent increase in express rates and charges. Meanwhile, tariffs became effective September 9, increasing express rates and charges between all points in Eastern territory, including Chicago and other border points. These new tariffs provide, however, that the charges from Chicago and other Eastern ter-



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Railroad**

ritory border points will apply as minima from points beyond.

• **Extend Time for Filing Exceptions in Port District Case:** The Interstate Commerce Commission, on the request of certain eastern railroads, has granted an extension of 30 days, until October 16, 1957, to file exceptions to the Examiner's proposed report in No. 32023, Chicago Regional Port District, et al. v. Atchison, Topeka and Santa Fe Railway Co., et al. In his proposed report, Examiner Burton Fuller recommended that the commission find that present tariff regulations at Chicago and other Great Lakes ports restricting the free time for unloading export freight to 48 hours unjust and unreasonable. He suggested that the commission further find that the seven days free time in effect at tidewater ports is reasonable and competitively necessary.

• **Helicopter Passenger Traffic at Chicago Continues Gain:** A total of 7,140 revenue passengers used Chicago's scheduled helicopter service

between Midway-O'Hare and the Chicago Loop (Meigs Field) in August. "Our August passenger total set a new company record," said John S. Gleason, president of Chicago Helicopter Airways. "The August traffic," Mr. Gleason added, "is a 26 per cent increase over our July passenger total of 5,681." C.H.A. also reported that it increased the Midway-Chicago Loop traffic by 67 per cent, from 1,164 in July to 1,952 in August. The largest increase, 86 per cent, came on the O'Hare-Chicago Loop segment. In July, a total of 1,046 passengers flew this route and, in August, 1,945.

Inflation

(Continued from page 14)

which began in late 1955 has about run its course. Some prices are still rising — especially the prices of services to consumers — but the serious pressures of overall demand will ease over the next 12 months. Consequently the general level of prices should stabilize. This is the joint result of two sets of forces. Mone-

tary restrictions and higher interest rates have held down the willingness and ability of many sectors of the economy to undertake new expenditures. At the same time those sectors from which most of the rising pressures of demand have come since late 1955, in spite of monetary strictiveness, are going to demand less in 1958 than they are now chasing in mid-1957.

Business expenditures for plant and equipment appear to have reached their peak level. There is plenty of capacity in most basic industries and excess capacity in many. New orders for equipment and industrial construction have already begun to decline. Few companies in the capital goods industries are now working overtime and some have begun to lay off workers. Rising expenditures for business expansion have been a key factor in the rise in prices and an easing of these demands will remove the most important cause of the current inflationary process.

Federal government expenditures have also risen since mid-1956 and this rise has added significantly to overall demand and hence to inflation. All the indications point to stabilization or even a reduction in these expenditures. While most of the budget cuts are cuts in appropriations which do not necessarily have an immediate impact on spending — there have also been indications that spending itself is to be cut, particularly in the defense department.

Inventory Accumulation

A third source of demand inflation in 1956 was business inventory accumulation. This adds to overall demand and hence to inflation, especially as accumulation usually centers on materials that are in short supply. These pressures have already abated in 1957, and may even become negative as business readjusts its inventory position to the now easier conditions prevailing in most raw material markets and prospective cut backs in defense equipment purchases.

Taken together, easier demand from these three dynamic sectors indicates that the widespread inflation we have witnessed is about to end. However, it does not follow that overall business activity

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employment must decline because these pressures evaporate. And it certainly does not follow that we are going to have deflation in the sense of falling consumer prices. In fact, service prices are likely to keep on going for some time ahead.

A lot of potential demand exists in other sectors of the economy which can and probably will take up the resources that are released. Many of the service industries, including state and local government services, have not been able to compete with the manufacturing sector for men and materials. The residential construction industry has not been able to compete with industrial construction for men and materials or financing. What lies ahead is yet another readjustment of the structure of the economy—a diversion of resources away from the heavy manufacturing and construction sectors and toward the service sector and residential construction.

This in a way is the reverse of the process which took place in 1956, but with an important difference. In 1956 the capital goods and

defense industries bid actively for men, materials and money. In 1958 the process will be one of quieter absorption of resources released by these industries into the other sectors. This difference means that the pressures which pushed up the prices of men, materials, and money in 1956 and the first three quarters of 1957 will be replaced by conditions of relative stability in all three markets.

Vending Machines

(Continued from page 23)

workers are employed at night or on weekends, where space is at a premium (the machine installation normally takes up less room than a comparable cafeteria counter), where workers are widely dispersed, or where the employee population and the company are relatively small."

Big firms are not outside the pale, however. Among AMC's accounts, for example, are Montgomery Ward & Company, Sears, Roebuck & Company, Chrysler Corporation, The Budd Company, and Spiegel, Inc.

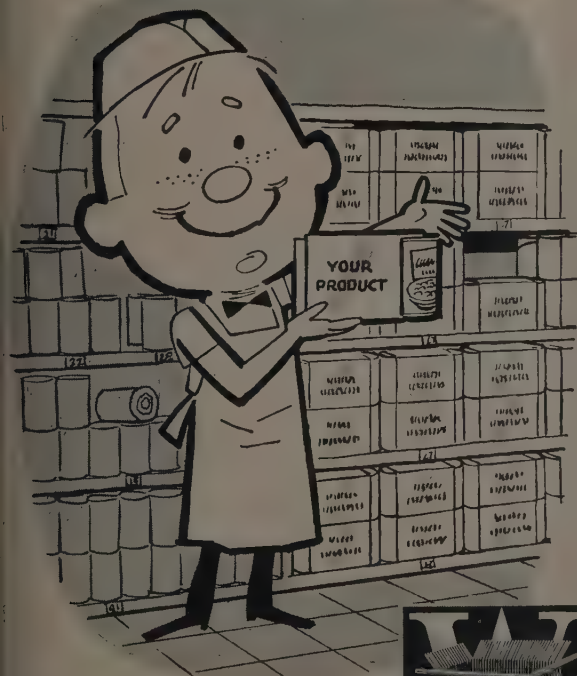
C. O. Owen & Company, a May-

wood, Illinois book manufacturing firm, has only about 275 employees, but its experience with automatic feeding provides an unusually good case history.

Owen began using the machines about six years ago. Initially, soup and cold sandwiches were the only items offered, but now complete meals are available; they cost anywhere from 35 to 70 cents each. Executive vice president Harry Owen estimates that, without machines, providing each employee with the same meal would cost the company an additional 25-50 cents in subsidy.

There's a big space saving, too. Owen's whole installation is contained in a room that measures 11 x 11 feet. The firm's vice president feels at least three times as much space would be needed for a conventional cafeteria.

One of the secondary benefits of automatic feeding, he adds, is that the firm can schedule employee coffee breaks at the most convenient time. Previously, an outside caterer brought coffee and rolls in; the break always had to be taken when he



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arrived, which frequently played hob with production operations.

With more and more firms moving to suburbia, the need for in-plant feeding facilities increases, since there are less likely to be restaurants close at hand than in the city. Employees of small firms, especially, are usually forced to bring lunch from home because the traditional cafeteria can't be justified economically. One such firm, Reliable Tool and Engineering Company, Franklin Park, solved this problem by setting up vending machines. Says Charles Lee, head of the company: "With no restaurants or diners nearby, our workers appreciate the luxury of having something hot at lunch. This has resulted in improved morale—a big factor in a small shop like ours."

Land-Air Company, a manufacturer of X-ray equipment, transformers, and related electrical products, carefully examined the merits of a company cafeteria, a dining room equipped with facilities for serving and keeping warm food prepared on the outside, and vending machines, before moving into its new

plant on Chicago's northwest side about a year ago. The vending machines were chosen mainly because of the high capital investment required by the other two alternatives, and the fact that vending was the only system that would provide around-the-clock feeding service for the firm's 250 employees. Production people, plus members of Land-Air's administrative section, frequently work after hours and on weekends, so the latter benefit is an important one.

The Land-Air installation is typical of that found in many companies. On any given day, employees have their choice of two soups, four entrees, 5 kinds of sandwiches, four types of pastry, plus several different salads, appetizers, fruits, juices, and desserts. The latter items are stored in a vending machine that has space for 24 selections. The vendor puts in a different selection of soups, entrees, and other main meal items every second day, on the average. Also, there are coffee, milk, ice cream, candy and cigarette machines.

Sandwiches are 25-30 cents apiece; canned entrees (noodles and beef,

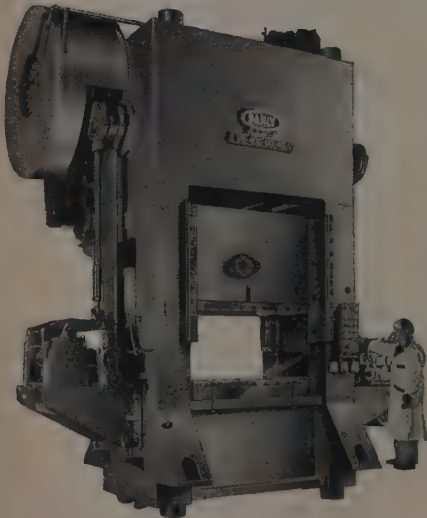
beans and franks, beef stew, bologna, and macaroni) are 25-35 cents; a can of soup or a salad costs 15 cents; while milk and coffee are priced at a dime. Desserts (fresh fruit, pastries, jello, or pudding) cost 10-15 cents.

Although automatic feeding, in its present state of development, is not managed to satisfy most users, the technique is not without its drawbacks. Even vendors admit, indirectly, that there is room for improvement. As G. R. Schreiff, editor of "Vend" put it recently: "There is no question but what well-run cafeterias can serve a wider variety of foods—probably a wider variety than vending can ever hope to match."

Among the industry's major goals are: development of a device that will exchange currency for silver; replacement of the hot canned food machines now in wide use with equipment that will dispense food on plates; improvements in the design of hot food vending machines that will permit them to store meals and heat it quicker.

Even with their present limitations, though completely vending meals have won wide acceptance from both management and employees in a phenomenally short time. This rapid growth in number of installations indicates strongly that a good many more will be on the way.

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Trends In Business

(Continued from page 10)

Wyoming's boost of \$11 to Michigan's increase of one dollar for dependents. Other 1957 raises in minimum weekly payments to the employed are: Idaho, \$10; Colorado, \$9; Connecticut and Missouri, each; Nevada, \$7.50; California, and Montana, \$6. States raising benefits \$5 a week are: Illinois (effective October 1, 1957), Maryland, Minnesota, and Oregon. Florida and Nebraska raised their payments \$4 each; Alabama, Indiana, Maine, and South Dakota, \$3 each; and Kansas, North Carolina, Utah, and Wisconsin, each.

Oklahoma increased the duration of benefits by four weeks to a maximum of 26 weeks, although it did not raise the weekly payment. Maryland and Missouri, in addition to increasing the top weekly payments, raised

maximum duration to 26 weeks. Montana raised it to 22 weeks. Of 48 states Connecticut pays the highest amounts to the unemployed (\$60), with Nevada (\$57.50) and Michigan (\$55) following. The average maximum benefit allowed by all the states is now \$34.95. The Territory of Alaska tops all the states with a \$70-a-week allowance to its unemployed out of work. Hawaii grants \$30 a week and the District of Columbia pays \$30.

Conservation

(Continued from page 17)

Wood Council. Among other things contributing to conservation are knowledge and techniques in the field. Since the Near West Side Planning Board and the Hyde Park-Wood Community Conference.

Today, 29 such organizations pool their experience through the Association of Community Councils of Chicago, with the help of the Wellman Council of Metropolitan Chicago. Another city-wide organization, the Metropolitan Housing and Planning Council, has just announced the formation of a Metropolitan Center for Urban Renewal to provide technical assistance to neighborhood groups.

William G. Caples, vice president of Inland Steel Company, is the Center's advisory committee. The Center is financed by \$100,000 in grants from the Wiedemann and Schwartzhaupt Foundations and Sears Roebuck and Company.

At the government level, the Mayor's Housing Action Committee recommended, in 1947, vigorous action to halt residential deterioration and ensuing efforts concentrated on large-scale clearance. Subsequently, a second official group, the Interim Commission on Neighborhood Conservation, headed by Charles C. Downs, Jr., then the city's Housing and Redevelopment Coordinator, reported:

"The problem of the older neighborhoods is not new . . . it has been the background of housing thinking all along. But only slowly has the truth dawned that the very process of redeveloping the worn-out areas may hasten the deterioration of the older neighborhoods that are on the verge of decay."

The Commission's findings, to-

CONSERVATION

According to Illinois law, an officially designated Conservation Area must: Contain not less than 160 acres in which half or more of structures are residential of 35 years or more average age.

Not yet be slum or blighted but may become so.

The Conservation Board has power to draw up the official Conservation Plan for a designated area, to employ eminent domain for acquiring property and to dispose of same, and to apply for and accept federal urban renewal funds. The Board also has power to hold, improve, mortgage, and manage acquired properties.

Official designation of an area for conservation requires prior public hearing in the area, and appointment by the mayor of a Conservation Community Council of 9-15 residents, a majority of whom shall be property owners. A majority of this Council must approve the Conservation Plan prior to its submission to city council.

The Plan Commission's opinion on the merits of the Conservation Plan shall be submitted to the city council along with the Conservation Plan, together with any requests for municipal legislation deemed necessary.

gether with those from an exhaustive study of existing conservation efforts sponsored by the Metropolitan Housing and Planning Council, plus the experience of neighborhood groups culminated in America's first conservation legislation, the Illinois Urban Community Conservation Act of 1953.

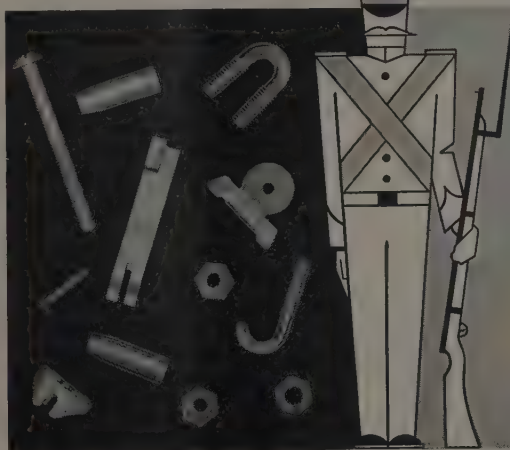
President Eisenhower's Housing Advisory Committee similarly drew heavily on the Chicago experience. Its recommendations for broadening

federal slum clearance aid to encompass conservation became law in 1954, providing, in essence, two dollars for every one expended by the city on approved conservation programs. Chicago became the first major city to qualify for aid under the new legislation.

Chicago moved quickly to establish its Community Conservation Board. Appointed commissioner was General Richard Smykal, who as

(Continued on page 43)

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Conservation

(Continued from page 41)

commissioner had helped when the city's building department, together with Board members Harry Joseph, president, Joseph Company; John F. McRae, also a Chicago Park District Commissioner; and two members deceased, Robert R. Taylor, chairman of the Chicago Planning Authority, and Peter I. Koski, president, Cosmopolitan National Bank. Just approved by city council to fill one of the jobs is Val Janicki, president, Novelty Company.

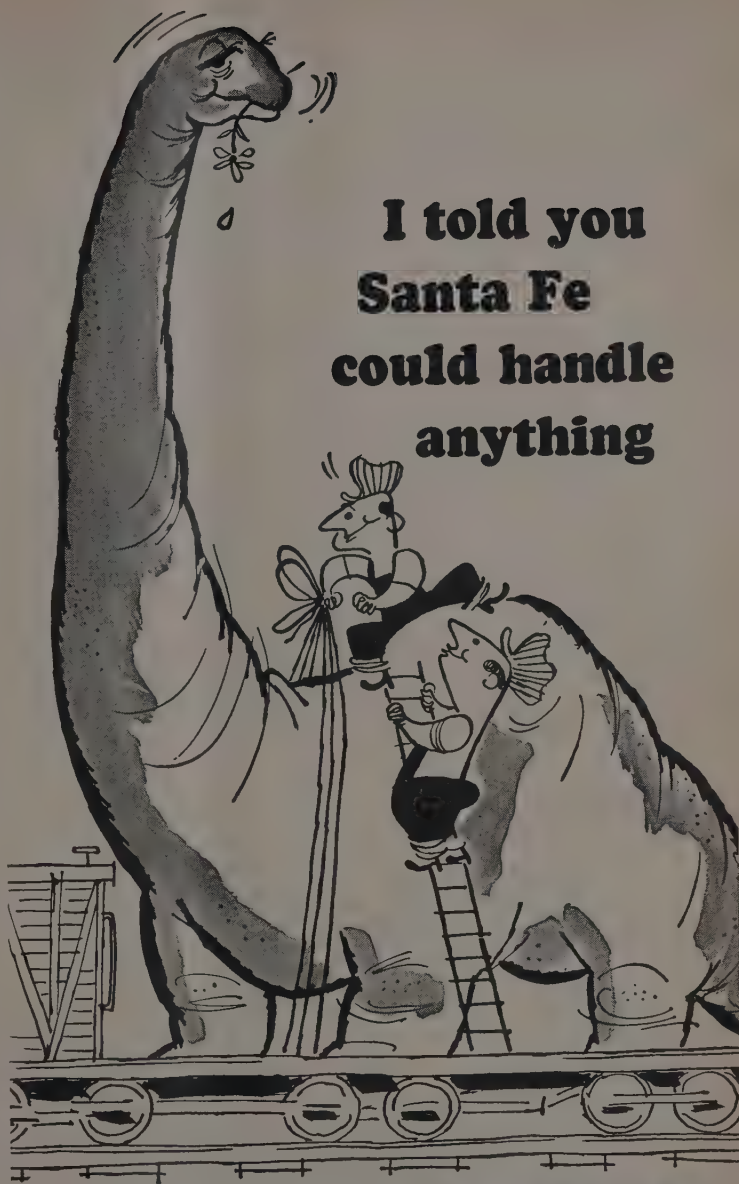
The 24 neighborhoods with which the Board is concerned, four of which have been officially designated as conservation areas. Hyde Park-Kenwood became the first large project in the nation to qualify for federal conservation aid. The other three are Kenwood, Lincoln Park and Near South Side are in various stages of preliminary planning. A fifth area, the Loop, is under discussion with the Housing and Home Finance Agency, which administers a federal program, for a so-called assisted program. This would liberalize FHA housing and title insurance rather than title grants.

Citizen Participation

A unique feature of the Illinois conservation law requires citizen participation in the planning, the appointment of a Community Conservation Council of 9-15 residents. The Chicago Board of Commissioners suggests formation of large, representative neighborhood committees, though existing community organizations are in some cases taken into account in this recommendation.

Hopefully, this emphasis on citizen-business-government teamwork will serve to encourage development of self-help techniques in neighborhoods not yet officially designated for conservation. To this end, Commissioner Smykal has appointed a 19-member community advisory committee, 10 of which are officers of active community organizations.

Together, the five areas now being tackled offer a composite of Chicago's geographic, economic, and growing pains. South Shore



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is a predominantly upper middle class community, fronting on Lake Michigan and Jackson Park, with fast transportation to the Loop. In the 161 acres being considered for conservation, 87 per cent of the housing is in apartments built 40-50 years ago. Chief need is for up-to-date wiring, and modernize kitchens and baths, so that the structures can continue to attract middle class tenants. Experience in other areas shows that any sizable exodus, for whatever reasons, brings conversions and overcrowding, with consequent strains on community facilities.

South Shore fears the movement of its younger families, evidenced by declining grade school enrollments, because of potential housing pressures from industrial growth around Lake Calumet Harbor to the south. According to South Shore Commission director Richard Jaffe, residents do not feel the area needs extensive capital improvements. Rather, South Shore offers a test of the preventive value of conservation.

Englewood, of the five areas, is perhaps most typical of Chicago.

Median income runs fractionally higher than that for the whole city, somewhat lower than South Shore's. Though primarily a business group, the Southtown Planning Association works closely with other local organizations and has racked up a long list of accomplishments. Nonetheless, some overcrowding and deterioration of housing, as well as traffic and land use problems have crept in.

The Association has functioned most effectively on community housekeeping and securing needed improvements (notably schools, parking and sewers). But Fred Henderson, the Association's veteran executive vice president, emphasizes that lack of funds has limited its successes to individual projects. Among the imaginative proposals the Association has developed and been financially unable to pursue are its widely heralded Perimeter Plan for the shopping district at Halsted and 63rd streets, and a suggested rebuilding of the Englewood Union Railroad station.

The \$52.5 million Englewood Conservation program, which would be the nation's largest, may bring

some of these dreams to reality. The project would cover 1,383 acres.

Lincoln Park, along Lake Michigan north of the Loop, includes a variety of neighborhoods found near the central city: the lake shore Gold Coast, industrial concentration on the south and from the art studios to the south to middle-class residences to the north. Much of the area is from narrow streets and limited parking space. Mixed land uses hamper industrial expansion in the west section, while vacant or underutilized commercial structures interfere with residential uses elsewhere.

Inform Community

The Lincoln Park Conservation Association, formed by four neighborhood groups, makes concerted effort to both represent and inform the whole community. Membership meetings move throughout the area, and the Association is supported by 600 individual members as well as businesses, industrial institutions. Association director A. D. Willis considers the 1,000-acre fortunate in that relatively little clearance will be required. The \$43.6 million conservation program, "The emphasis here," states, "is on maintaining our existing population density and improving community facilities."

Hyde Park-Kenwood's 900-acre program ties in with the Chicago Land Clearance Commission project already under way centered at 55th Street. Although the area contains a high proportion of middle-income residents, central Kenwood and near the University of Chicago campus, conversions and overcrowding have mounted in recent years. The conservation program, to cost \$38.7 million, is directed chiefly toward expanding community facilities, housing rehabilitation, considerable spot clearance and concomitant demolition.

The Near West Side area covers only 237 acres just southwest of the Loop, and planning for the million program is still under discussion. But the designated area is surrounded by public improvements, which, when combined with conservation can demonstrate effectiveness of overall planning. Ernest Giovangelo, chairman

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West Side Planning Board, area exemplifies the citizen and official cooperation which urban renewal can succeed — together with some of the lessons learned and problems solved.

from World War II, a group of Near West Side veterans and their families, and their disturbing changes in their neighborhood but agreeable neighboring neglected buildings, stores, a slow exodus of stable families, coupled with a population of almost 30,000. Seeking help from the city's famed Hull House, they met late Eri Hulbert, nephew of John Addams, who helped them start a discussion group culled from the diverse elements of the community. All ethnic and income groups were represented, as well as representatives of International Harvester Company, General Electric, Coca Cola Bottling Company, Marshall Field and Company and local businessmen.

Months of study and meetings with planners, city agencies and other organizations convinced them that the community itself should take the initiative. In June, a meeting of 500 residents organized the Near West Side Planning Board and formulated as its goals: (a) that the residents participate in planning their future; (b) that in view of the housing shortage, slum clearance, be served to create new slums; (c) a combination of conservation, partial clearance, and both private and public new housing held the greatest promise; and (d), that the area should be planned as a community, including schools, stores, shopping, recreation and industry.

Site For Industry

The Western Society of Engineers selected the new group to suggest clearance of the area east of the street, close to railroad tracks, would provide an appropriate site for industry. Now well advanced on this site is the Chicago and Clearance Commission's industrial project. Another project to the southeast will be for light industry and commercial, including a center for the retraining of jobbers in the area. The project will go into still another

cleared site to the south, and new private housing will rise on a site at the northeast. Four public housing projects are either occupied or scheduled at the south of the area. The new Congress Expressway forms the area's northern boundary, while to the west rises the expanding Medical Center.

The new near west side will be impressive, but the Planning Board feels it has failed in one important respect. A large number of the families for whose ostensible benefit the Board was organized are no longer there. Plans to organize the cleared

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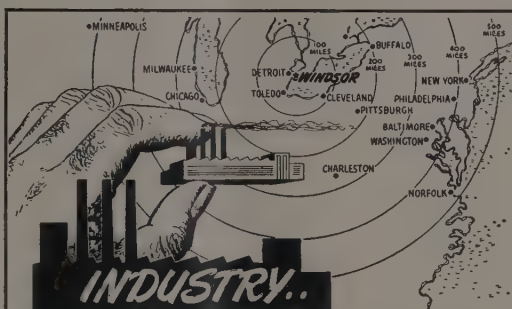
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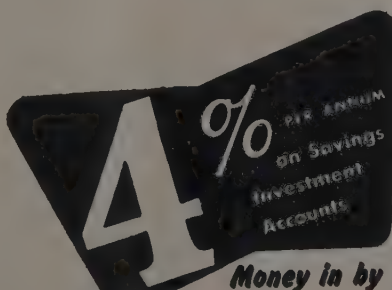
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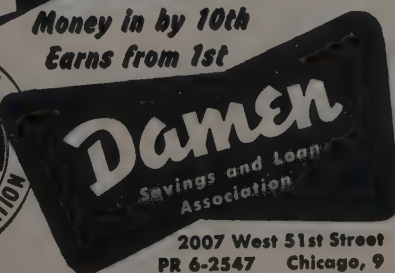
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Windsor Chamber of Commerce

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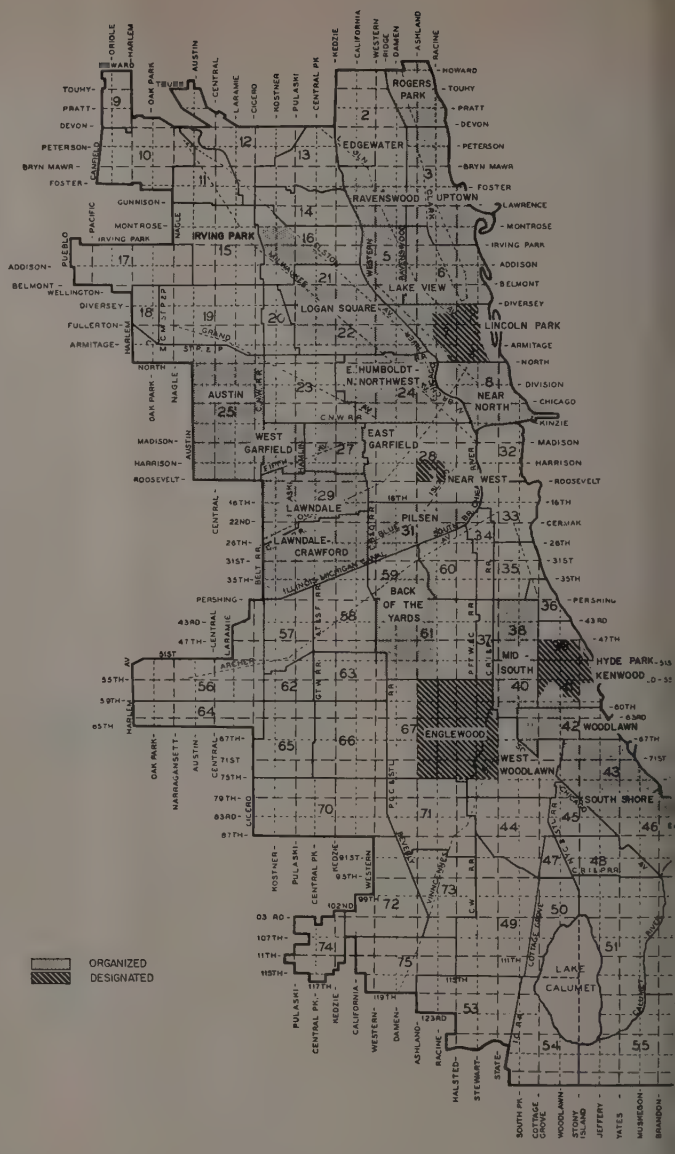
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Community areas of Chicago organized or designated for conservation. pro

families into a corporation for development of the private housing for relocation purposes could not be consummated. Partly, perhaps, because the conservation approach was too new, coordination of the several projects could not be timed for construction of the private housing when the displaced families required it.

Yet to be tested is the Near West Side Planning Board's approach to conservation. Data from a Real Estate Research Corporation survey has enabled the group to categorize housing into three conditions—

good, requiring rehabilitation; blighted, or to be cleared; and Board believes that a conservation and long-term staging of rehabilitation could be put into operation, admitting residents to amortize improvements and relieving the uncertainty and possible financial loss.

That neighborhood moral property values are vital factors in the urban renewal process has been stressed by James C. Downs, Jr., who urged that no additional areas be formally designated for conservation until the present "ambitious

has proven workable. Unless city has the funds to begin immediate action programs, he pointed out, property values may depreciate, city fails to remain liquid, and large financing becomes difficult. Availability of federal funds and allocation among the states governs the speed with which conservation can proceed. According to D. E. Mackelmann, Deputy Planning and Redevelopment Coordinator, \$1.3 billion has been appropriated for clearance and conservation, of which \$200 million is available only through administration. The normal maximum for all of Illinois is \$121,250, although certain variables could use it. Chicago clearance and conservation projects underway, planned or contemplated, total \$1 million in federal funds. The additional one-third contribution can be paid partly in the form of public works, partly in cash.

"Staging" System

The Community Conservation Commission is discussing with federal officials the possible "staging" system, so that area plans can be approved as they are submitted for funds and then in a series of projects. Consequently, this may force scaling down the city's conservation program, as federal law requires completion of an approved program within ten

years. It was also pointed out that the size of the relocation load. The partial release in the four conservation areas thus far designated will, if approved, add up to a total of 400 acres, or roughly four times the size of the Lake Meadows development, and will require relocation of from 19,000 to 20,000 families.

The Chicago Plan Commission, in its report on population and housing, called attention to the fact that although the majority of families displaced by public improvements are in improved housing, either public or private, a substantial number are moved into converted or substandard housing, often at higher rents. Increased rents may cause doubling-up of families, and the cycle of overcrowding and resultant deterioration springs up in still another neighborhood.

William Bacon, director of the area welfare planning department, Welfare Council of Metropolitan Chicago, comments: "Initially, neighborhood groups show a high degree of provincialism. . . . As time goes on, however, neighborhood groups come to realize that de-densification of population depends upon the possibilities of relocation of people in other neighborhoods, that a good neighborhood street pattern is related to city-wide arterial traffic circulation, and the maintenance of good housing standards in one area

is impossible without a strong city-wide housing code.

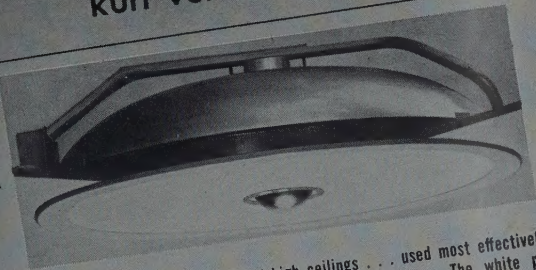
"Unfortunately, conservation efforts in Chicago are still largely episodic and unrelated to a total comprehensive city plan. However, there is a growing awareness on the part of neighborhood groups and city-wide civic leaders that neighborhood planning and city-wide planning must be related. Only when this is done will the constructive conservation efforts of one area not have some injurious effects upon other areas."

Advertiser's Index

Agencies Listed in Italics

A	
A-Z Letter Service	33
Allied Radio Corp.	28
George Brodsky	
Allied School of Mechanical Trades, Inc.	42
Advertising Company of America	
Anderson, J. Emil, & Son, Inc.	32
Revere Advertising	
B	
Batley & Childs	33
Beachey & Lawlor	8
Bean, Ferrel M., & Associates, Inc.	10
Bell Savings & Loan Association	I.F.C.
M. M. Fisher Associates	
Berthold, Gus, Electric Co.	44
Boynton, A. J., Co.	8
Marsteller, Rickard, Gebhardt & Reed	
C	
Chicago, Burlington & Quincy R. R.	37
Reinke, Meyer & Finn	
Chicago Heart Association	10
Chicago Name Plate Co.	33
Chicago Tribune, The	B.C.
Foot, Cone & Belding	
Cities Service Oil Co.	9
Ellington & Company	
Clearing Industrial District	3
D	
Damen Savings & Loan Assn.	45
Post Advertising Co.	
Danly Machine Specialties, Inc.	40
David's Inn	45
The McCarty Co.	
DeLeuw, Cather & Co.	33
Doering, C., & Son, Inc.	46
H. A. Hooker Advertising Agency	
Donnelley, Reuben H., Corp.	31
N. W. Ayer & Son, Inc.	
E	
Efeng Electrical Supply Co.	I.B.C.
Elliot, Jaynes & Baruch	
G	
Gray, Edward, Corp., The	4
Merit Advertising Planners	
Gruetzmacher, A. H., & Co.	11
Henry H. Teplitz Advertising Agency	
H	
H W Sandblast Co.	34
Haines Company, The	42
Harrington, J. J., & Co.	33
Hyre Electric Co.	30
George H. Hartman Co.	
I	
Illinois Coil Spring Co.	29
R. W. Sayre Co.	
Illinois State Employment Service	42
Inland Steel Co.	1
Edward H. Weiss and Company	
K	
Kiwi Coders Corp.	33
L	
Lou Steel Products Co.	46
Luminous Ceilings, Inc.	35
Elliot, Jaynes & Baruch	
M	
McDonald Builders, Inc.	25
Kirkgasser-Drew Advertising	
P	
Peoples Gas Light & Coke Co.	27
Needham, Louis & Brorby, Inc.	
Personnel Laboratory	33
S	
Santa Fe Railway	43
Leo Burnett Co., Inc.	
Standard Oil Co.	36
D'Arcy Advertising Co.	
Stock Yard Inn	26
T	
Talcott, James, Inc.	10
Doremus & Co.	
Truax Traer Coal Co.	38
F. E. Flottman Co.	
U	
United Air Lines, Inc.	2
N. W. Ayer & Son, Inc.	
United States Steel Corp.	6
Batten, Barton, Durstine & Osborn	
W	
Waldorf Paper Products Co.	39
Scrymiger & Osterholt	
Western Rust-Proof Co.	41
Geren Advertising	
Western Ventilating Co.	46
Windsor Chamber of Commerce	45
Walsh Advertising Co., Ltd.	

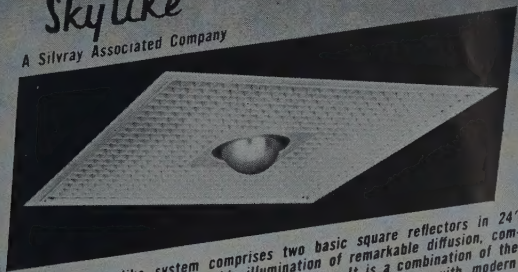
kurt versen company



For general lighting with medium and high ceilings . . . used most effectively for stores, public areas, restaurants, lobbies and auditoriums. The white plastic diffusing panel has a light transmission of 87%, yet amazing low brightness because of the generous, large panel area. The dome is finished in highly reflective white baked enamel. Bulb ring is satin aluminum, with adaptor ring for 300-Watt bulb. The silver bowl lamp is conveniently relamped by pole lamp exchanger. Minimum recessing depth.

Skylike

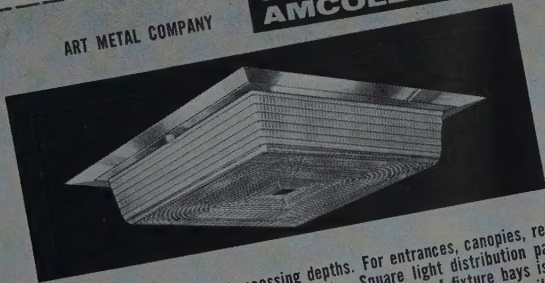
A Silvray Associated Company



Silvray's new Skylike system comprises two basic square reflectors in 24" and 14" sizes, designed to provide illumination of remarkable diffusion, comfortable low brightness and pleasing color quality. It is a combination of the fundamental principles of silvered bowl lamp indirect lighting with modern architectural design. A Skylike system offers initial savings in equipment cost through the inherent simplicity of the silvered bowl lamp which eliminates costly accessories and complicated electrical circuits.

ART METAL COMPANY

**CLEAR PRISMATIC
AMCOLENS**



Designed specifically for limited recessing depths. For entrances, canopies, recreation rooms, corridors, walkways, balconies, etc. Square light distribution pattern creates three major advantages: (1) Illumination at centers of fixture bays is built up to uniformity level without decreasing fixture spacing. (2) Wasteful spill light outside boundaries of work area is minimized to increase useful light utilization. (3) Confined illumination pattern provides economies for single row lighting of narrow indoor or open outdoor areas.

EE EXPRESS LINE

DESTINATION:

EFENGEE

CARGO:

**INCANDESCENT
LIGHTING**

PURCHASER:

YOU!

EFENG

EFENGEE EXPRESS LINE

EFENGEE ELECTRICAL SUPPLY CO., INC.

. . . 38 years of Dependable Service
WHOLESALE OF EVERYTHING ELECTRICAL
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WAUKEGAN BRANCH:
INTERSTATE ELECTRICAL SUPPLY CO.

1020 Greenwood • Waukegan, Ill. • ONtario 2-1194





Why should man's best friend prefer women in Chicago?

Montmorency Barnabus of Blenheim was monarch of all he surveyed, including davenport, garbage cans, delivery boys and Sam Schneidermann.

Now Sam belonged to that great protective brotherhood laughingly referred to as "dog owners." And Montmorency, known to his best friend as Barney, was the shaggy dog Sam owned (?).



Sam was also ad manager for Fido-Fodder, well-known dog food. And knowing firsthand the heart-warming, cold-nose relationship between a dog and his man, directed his ads to men—via men's media. But F.F.'s position in the Chicago market was slipping—from 11% to 5% in 4 years.

One day Sam called in Joe, who sits up and speaks for the Chicago Tribune, to see what he knew about Chicago dogs and dog food. Here's Joe's report:

If man's best friend knows what's good for him, he should prefer women. Why? Because Tribune research shows that 7 out of 10 dogs are fed by the lady of the house—2 out of 10 by children—and only 1 out of 10 by the lord and master. Who decides what brand of dog food to buy? The little woman in 8 out of 10 families.



Apparently the queen of the kitchen is as anxious to set a dainty dish before her canine friend as is before her king. However, a woman is apt to judge and select a dog food by how good it looks and smells to *her*, without knowing much about nutritive values for the dog.

"According to our doggy research," continued "Fido-Fodder has been barking up the wrong tree. Evidently the way to a dog's stomach is through the heart of the housewife. So forget about influencing lords and masters, and start to *cherchez les femmes*."



So saying, Joe tipped his hat and left. And Sam took off for home. And you'll never believe what happened next morning. When Sam woke up, there was Montmorency Barnabus of Blenheim by his side, holding in his mouth a copy of the Chicago Tribune.

"I've heard a lot about shaggy dogs," said Sam, "but this is the first time I've heard of one solving an important advertising problem."

And Barney's tail just wagged and wagged.

Now maybe you sell diamonds or diapers instead of dog food. But if you want to sell more of the Chicago Tribune, call on Joe. Nobody knows Chicago like the Tribune. Nothing sells Chicago like the Tribune. And Joe's the joe to give the facts to you.

Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

